

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 26, 2007

TO: Honorable Helen Giddings, Chair, House Committee on Business & Industry

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2002 by Giddings (Relating to requiring a financial institution to notify check verification entities when a customer reports that the customer is a victim of identity theft and the consequences of the notice; providing a civil penalty.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Business and Commerce Code relating to requiring a financial institution to notify check verification entities when a customer reports that the customer is a victim of identity theft and the consequences of the notice require financial institutions to notify check verification services within 48 hours when a customer notifies the financial institution that the customer was a victim of identity theft and provides that a financial institution that fails to give the required notice is liable to the state for a civil penalty of up to \$1,000. This bill would authorize the Office of the Attorney General (OAG) to collect the civil penalty and to recover reasonable expenses incurred in obtaining the penalty.

The bill would amend the Finance Code by requiring the Finance Commission to adopt certain rules pertaining to the implementation of the bill.

Based on the analysis of the OAG, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

This bill would take effect September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 450 Department of Savings and Mortgage Lending, 451 Department of Banking, 466 Office of Consumer Credit Commissioner, 469 Credit Union Department

LBB Staff: JOB, JRO, TGI