

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**April 17, 2007**

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

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

**IN RE: HB3424** by Chisum (Relating to certain requirements for businesses required to obtain a registration certificate or license from the secretary of state or another licensing authority.),  
**As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would require the Secretary of State, or a licensing entity that issues a license or certification to a business that is subject to Section 7.19, Chapter 62, Acts of the 76th Legislature, Regular Session, 1999, as amended, relating to consumer loan registration certificates, to determine whether any consumer complaints regarding a business have been received by the Attorney General or other state agency with regulatory authority over the business. If more than five complaints have been received, the Secretary of State or affected licensing entity would be required to review the business practices of the business before issuing a registration certificate or license. The bill establishes criteria under which a certificate or license may be issued and the information that must be provided by the business. The state licensing entity may request the assistance of the Office of the Attorney General or other appropriate state agency in reviewing the business practices. The bill would be effective September 1, 2007.

It is assumed that there would be no significant fiscal impact to state agencies which license businesses that are subject to Section 7.19, Chapter 62, Acts of the 79th Legislature, Regular Session, 1999, as amended. Although there would be additional workload for the Secretary of State, the Office of the Attorney General and the State Office of Administrative Hearings, it is estimated that these costs could be absorbed within existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 302 Office of the Attorney General, 307 Secretary of State, 329 Real Estate Commission, 360 State Office of Administrative Hearings, 452 Department of Licensing and Regulation, 582 Commission on Environmental Quality

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