

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 14, 2009

TO: Honorable Joe Deshotel, Chair, House Committee on Business & Industry

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

IN RE: HB1851 by Solomons (Relating to rental agreements.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Texas Department of Licensing and Regulation (TDLR) to adopt rules relating to loss damage waivers in rental agreements between a rental company and a consumer. The bill would require TDLR to enforce the rules regarding loss damage waivers, to investigate complaints, and provide an opportunity for hearing on the determination of a violation. The bill would prohibit TDLR from regulating business rental agreements.

TDLR currently regulates loss damage waivers by registering companies, reviewing contracts annually, and resolving complaints. The Office of the Attorney General currently handles complaints regarding rental car contracts. Based on the analysis of TDLR and the Office of the Attorney General, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 452 Department of Licensing and Regulation

LBB Staff: JOB, JRO, ES