

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

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 3, 2009**

**TO:** Honorable Pete Gallego, Chair, House Committee on Criminal Jurisprudence

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

**IN RE: HB4385** by Vaught (Relating to the prosecution and punishment of fraud upon certain practitioners; creating an offense and providing criminal penalties.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Penal Code as it relates to the prosecution and punishment of fraud upon certain practitioners. Under the provisions of the bill a person who is a fiduciary or who has a contractual duty to settle a claim may not misrepresent material facts, use methodologies that misstate practitioners' fees or use a database in calculating claims that the person knew or should have known contained inaccuracies. An offense committed as defined by the bill would be punishable at all levels depending on the amount of the claim paid in violation of the amended section.

The bill would take effect September 1, 2009 and apply only to offenses committed on or after the effective date of the Act.

The Office of the Attorney General indicates any additional activities as a result of implementing the provisions of the bill can be accomplished with existing resources. It is expected individuals who would be affected by the the bill are currently being sentenced for other, possible lesser felony, offenses.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 302 Office of the Attorney General

**LBB Staff:** JOB, ESi, GG, LM