

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 24, 2017

TO: Honorable Tan Parker, Chair, House Committee on Investments & Financial Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1134 by Craddick (Relating to credit services organizations and extensions of consumer credit facilitated by credit services organizations; increasing a criminal penalty.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Finance Code relating to credit services organizations and extensions of consumer credit facilitated by credit services organizations; increasing a criminal penalty.

Based on the analysis of the Office of Court Administration 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.

The Texas Office of Consumer Credit Commissioner is a self-directed, semi-independent agency; therefore, any agency costs or savings associated with implementing the provisions of the bill are not considered in this analysis.

Local Government Impact

According to the Texas Municipal League, the fiscal impact to municipalities is not anticipated to be significant.

Under current law, a violation by a credit service organization of its governing statute, Chapter 393 of the Finance Code, is a Class B misdemeanor, and is treated as a single violation regardless of its duration. The bill would provide that each day of a continuing violation would constitute a separate offense. A Class B misdemeanor is punishable by a fine of not more than \$2,000, confinement in jail for a term not to exceed 180 days, or both. Costs associated with enforcement, prosecution and confinement could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal implication.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 466 Office of Consumer Credit Commissioner, 696 Department of Criminal Justice

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