

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 6, 2017

TO: Honorable John T. Smithee, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1435** by Wu (Relating to commencement and prosecution of certain actions by and to investigations conducted by district and county attorneys under the Deceptive Trade Practices-Consumer Protection Act.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated due to authorizing certain legal actions by county and district attorneys related to the production, sale, distribution or promotion of a mind-altering synthetic substance. Any potential increase to the basic civil legal services subaccount within Judicial Fund No. 573 resulting from the bill's provision requiring settlements and civil penalties collected by district and county attorneys under the new authority to be equally divided between the basic civil legal services subaccount within Judicial Fund No. 573 and the county cannot be determined because insufficient information is available.

The bill would amend the Business and Commerce Code to allow county and district attorneys the authority to take certain actions related to the production, sale, distribution, or promotion of a mind-altering synthetic substance. The bill would require civil penalties collected from this new authority to be equally divided between the state, deposited to the credit of the basic civil legal services subaccount within Judicial Fund No. 573, and the county.

The Office of the Attorney General (OAG) indicates that the bill could have an impact on the agency workload as the OAG Consumer Protection Division is required to assist counties in bringing deceptive trade practices cases in certain circumstances. This analysis assumes that any additional work resulting from the passage of the bill could be reasonably absorbed by the agency within current resources.

The amount of settlements and civil penalties which would be collected under the authority provided by the bill is unknown. Therefore, any potential revenue gain to the basic civil legal services subaccount within Judicial Fund No. 573 cannot be estimated.

The bill would take effect September 1, 2017.

Local Government Impact

According to the Texas Association of Counties, Harris County anticipates an estimated collection in the amount of \$200,000. Accordingly, the state would collect an estimated \$200,000 under the provisions of the bill. This analysis assumes the bill would have a positive fiscal impact on the County.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

LBB Staff: UP, LBO, MW, GDz, JSm, CL, JGA