

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**March 10, 2019**

**TO:** Honorable Jim Murphy, Chair, House Committee on Pensions, Investments & Financial Services

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB1442** by Paddie (Relating to the continuation and functions of the Office of Consumer Credit Commissioner and the licensing and registration of persons regulated by that state agency.), **As Introduced**

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

This bill would amend several chapters of the Finance Code, as well as a chapter of the Occupations Code, relating to the continuation and functions of the Office of Consumer Credit Commissioner (OCCC) and licensing and registration of persons regulated by that state agency.

The bill extends Sunset abolishment of the OCCC from September 1, 2019 until September 1, 2031.

The bill would implement multiple Sunset Commission recommendations including: require the Finance Commission to develop alternative rulemaking and dispute resolution procedures for use by OCCC, authorize OCCC to provide biennial license renewals for its licensees and registrants, remove provisions requiring licensure of pawnshop employees, update the agency's complaint process, and authorize OCCC to deny renewal applications for noncompliant licensees and registrants.

This bill would take effect September 1, 2019.

OCCC indicates that eliminating the pawnshop employee license would reduce revenue by \$176,550 per year in Pawn Employee Fees. The agency anticipates an additional \$88,275 in enforcement costs in the early years and would recover those costs through additional revenue in pawnshop fees. It is anticipated this cost would be offset in some part by savings from no longer licensing pawnshop employees.

No fiscal impact to the state is expected. As a self-directed semi-independent agency, OCCC receives no appropriated funds. OCCC is responsible for all direct and indirect costs of the agency's operation and sets the amount of fees, penalties, charges, and revenues required to support its operations.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts,  
466 Office of Consumer Credit Commissioner

**LBB Staff:** WP, CMa, SGr, MB