

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 30, 2019

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

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, the licensing and registration of persons regulated by that state agency, and certain consumer financial transactions regulated by that state agency.),
Committee Report 2nd House, Substituted

<p>No fiscal implication to the State is anticipated.</p>
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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 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, amend provisions regarding 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.

The changes to the pawnshop employee license program may reduce collection of Pawn Employee Fees. It is anticipated that operating expenses would be reduced in a similar amount, making the change cost neutral to OCCC.

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, 466 Office of Consumer Credit Commissioner, 304 Comptroller of Public Accounts

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