

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 22, 2021

TO: Honorable Rafael Anchia, Chair, House Committee on Pensions, Investments & Financial Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB707 by Paxton (Relating to the continuation and functions of the Credit Union Department and the Credit Union Commission.), **As Engrossed**

No fiscal implication to the State is anticipated.

The Credit Union Department is subject to Sunset review and will be abolished on September 1, 2021, unless continued by the Legislature. The bill would incorporate Sunset Commission recommendations to continue the agency for 12 years.

The bill would require the department to track more comprehensive complaint and enforcement data in order to guide regulatory activities and to prepare an annual statistical analysis of collected data. The bill would direct the department to develop a process for notifying credit unions about and issuing guidance on federal regulatory changes that override state regulations. The bill would require the commissioner to create a training manual which provides information about the law governing operations, the scope of the commission's rulemaking authority, and laws relating to the activities of members of state policy-making bodies and the disclosure of conflicts of interest.

It is assumed that any costs associated with the bill's provisions relating to the continuation and functions of the Credit Union Department and the Credit Union Commission could be absorbed using existing resources. The Credit Union Department is a self-directed, semi-independent state entity and does not receive appropriated funds. The department is responsible for funding all direct and indirect operational costs and sets the amount of fees, penalties, charges, and revenues required to cover these costs. The department estimates that updating its information management systems to meet the bill's data collection requirements may represent additional expenses which could result in increased fees assessed to the credit union industry.

Other affected agencies anticipate no fiscal implications from provisions within this bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts, 356 Texas Ethics Commission, 469 Credit Union Department

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