

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

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**April 4, 2023**

**TO:** Honorable Giovanni Capriglione, Chair, House Committee on Pensions, Investments & Financial Services

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3395** by Capriglione (Relating to the charging of swipe fees on certain electronic payment transactions; authorizing a civil penalty.), **As Introduced**

**The fiscal implications of the bill cannot be determined due to the cost savings from sales and hotel taxes no longer being assessed on swipe fees and the programming costs to modify point-of-sales systems being unknown.**

The bill would amend the Business & Commerce Code relating to the charging of swipe fees on certain electric payment transactions.

The bill would direct that a tax imposed by the state or unit of local government be excluded from the total amount on which a swipe fee is charged for a transaction.

The bill would provide a civil penalty of \$1,000 per violation of the new chapter created by this bill.

According to the Parks and Wildlife Department, the agency would experience a minimal cost savings in the form of credit card fees on the portion of a sales transaction involving sales and hotel tax no longer incurred by the agency. However, that would be offset by programming costs, specifically to the state parks point-of-sale system to itemize each sales transaction swipe/call between the tax portion of the transaction not subject to fees and the non tax portion of the transaction still subject to credit card fees. The agency anticipates that the programming costs would outweigh cost savings resulting from the bill. Programming costs cannot be estimated at this time.

According to the Office of Court Administration and the Office of the Attorney General, any additional work resulting from the provisions of the bill could be absorbed within current resources.

According to the Comptroller's Office, the civil penalty revenue impact of the bill cannot be estimated.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 802 Parks and Wildlife Department

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