COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.:   3164-01
Bill No.:   SB 737
Subject: Banks and Financial Institutions; Consumer Protection; Credit and Bankruptcy
Type: Original
Date: January 12, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on Other State Funds	**$0**	**$0**	**$0**

Numbers within parentheses: ( ) indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on All Federal Funds	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	**$0**	**$0**	**$0**

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator** assume there will be no fiscal impact on the Courts.

Officials from the **Department of Economic Development - Division of Finance** state this proposal imposes no new duties on the Division of Finance; therefore there is no fiscal impact.

Officials from the **Department of Economic Development - Division of Credit Unions** state there will be no fiscal impact to their agency resulting from this proposal.

Officials from the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

FISCAL IMPACT - State Government	FY 2007 (10 Mo.)	FY 2008	FY 2009
	$0	**$0**	**$0**

FISCAL IMPACT - Local Government   FY 2007   FY 2008   FY 2009

	FY 2007 (10 Mo.)	FY 2008	FY 2009
	$0	$0	$0

FISCAL IMPACT - Small Business

This proposal could have a negative fiscal impact on the operation of some of the licensee's regulated by the Department of Economic Development - Division of Finance.

DESCRIPTION

This proposal creates a system by which a consumer may request a consumer credit reporting agency to place a freeze on the consumer's credit report. Upon such a request, the consumer credit reporting agency shall not furnish the report to anyone without the consumer's authorization. The report will be furnished, however, if it is subject to a court order, requested by an individual that the consumer has specified as eligible for receipt, or requested by a creditor of the consumer. The consumer credit reporting agency must honor the request, free of charge, within five days of receipt of the request and supply the consumer with written confirmation and information outlining the procedure to lift or suspend the freeze. Furthermore, the act provides a procedure by which a consumer may designate a particular requestor for receipt of the report despite the freeze.

If the consumer credit reporting agency fails to comply, it will be liable to the consumer for actual damages, court costs, and reasonable attorney's fees. The court will also award the consumer equitable relief to the extent necessary to restore the consumer's credit rating and discourage future violations.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

LD:LR:OD (12/02)

SOURCES OF INFORMATION

Office of Attorney General
Office State Courts Administrator
Department of Economic Development
        Division of Finance
        Division of Credit Unions

Mickey Wilson, CPA
Director
January 12, 2006