

1-1 By: Craddick (Senate Sponsor - Perry) H.B. No. 876
 1-2 (In the Senate - Received from the House April 12, 2021;
 1-3 April 13, 2021, read first time and referred to Committee on
 1-4 Business & Commerce; May 10, 2021, reported favorably by the
 1-5 following vote: Yeas 7, Nays 0; May 10, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Hancock	X			
1-8 Nichols	X			
1-9 Campbell	X			
1-10 Creighton			X	
1-11 Johnson	X			
1-12 Menéndez	X			
1-13 Paxton			X	
1-14 Schwertner	X			
1-15 Whitmire	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to fees charged by certain persons for the method used for
 1-20 payments made under an agreement.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Subtitle C, Title 5, Business & Commerce Code, is
 1-23 amended by adding Chapter 116 to read as follows:

1-24 CHAPTER 116. FEES FOR CERTAIN PAYMENT METHODS

1-25 Sec. 116.0001. DEFINITIONS. In this chapter:

1-26 (1) "Payee" means an individual who resides in this
 1-27 state or a corporation, trust, partnership, association, or other
 1-28 private legal entity authorized to do business in this state that
 1-29 receives money as payment under an agreement.

1-30 (2) "Person" means an individual, corporation, trust,
 1-31 partnership, association, or other private legal entity.

1-32 Sec. 116.0002. FEE FOR CERTAIN PAYMENTS BY PAPER CHECK
 1-33 PROHIBITED. (a) A person that makes a payment to a payee may not
 1-34 charge an additional fee to the payee because the payee elects to
 1-35 receive the payment by paper check instead of by an automated
 1-36 clearinghouse transaction or other electronic funds transfer.

1-37 (b) A provision in a contract permitting a person to charge
 1-38 or collect a fee from a payee in violation of Subsection (a) is void
 1-39 and unenforceable.

1-40 SECTION 2. To the extent of a conflict between Section
 1-41 116.0002(a), Business & Commerce Code, as added by this Act, and a
 1-42 provision of a contract entered into before the effective date of
 1-43 this Act, the provision of the contract prevails.

1-44 SECTION 3. This Act takes effect September 1, 2021.

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