

1-1 By: Thompson of Brazoria H.B. No. 2746
 1-2 (Senate Sponsor - Menéndez)
 1-3 (In the Senate - Received from the House May 3, 2023;
 1-4 May 4, 2023, read first time and referred to Committee on Business
 1-5 & Commerce; May 12, 2023, reported favorably by the following vote:
 1-6 Yeas 11, Nays 0; May 12, 2023, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			

1-20 A BILL TO BE ENTITLED
 1-21 AN ACT

1-22 relating to requirements related to refunds and credit provided
 1-23 under terminated debt cancellation agreements.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Section 354.007, Finance Code, is amended by
 1-26 amending Subsections (e), (f), and (g) and adding Subsection (e-1)
 1-27 to read as follows:

1-28 (e) If the debt cancellation agreement terminates due to the
 1-29 early termination of the contract, a [the] holder who is a retail
 1-30 seller who has not assigned or transferred the contract shall:

1-31 (1) [] not later than the 60th day after the date the
 1-32 debt cancellation agreement terminates[+]

1-33 [(-)] refund or credit an appropriate amount of the
 1-34 debt cancellation agreement fee; or

1-35 (2) cause to be refunded or credited an appropriate
 1-36 amount of the debt cancellation agreement fee by providing written
 1-37 instruction not later than the 30th day after the date the debt
 1-38 cancellation agreement terminates, including by electronic means,
 1-39 to the administrator of the agreement [appropriate person].

1-40 (e-1) If the debt cancellation agreement terminates due to
 1-41 the early termination of the contract, a holder, other than a holder
 1-42 described by Subsection (e), shall:

1-43 (1) not later than the 60th day after the date the debt
 1-44 cancellation agreement terminates refund or credit an appropriate
 1-45 amount of the debt cancellation agreement fee; or

1-46 (2) cause to be refunded or credited an appropriate
 1-47 amount of the debt cancellation agreement fee by providing written
 1-48 instruction not later than the 30th day after the date the debt
 1-49 cancellation agreement terminates, including by electronic means,
 1-50 to the administrator of the agreement and the retail seller.

1-51 (f) The administrator of the agreement or the administrator
 1-52 of the agreement and the retail seller, as applicable, not later
 1-53 than the 30th day after receiving the written instructions
 1-54 specified under Subsection (e)(2) or (e-1)(2), [holder] shall
 1-55 provide [ensure that] a refund or credit of an amount of a debt
 1-56 cancellation agreement fee proportional to the amount received by
 1-57 the administrator and retail seller under the agreement [made by
 1-58 another person under Subsection (e)(2) is made not later than the
 1-59 60th day after the date the debt cancellation agreement
 1-60 terminates].

1-61 (g) The administrator of the agreement and the retail seller

2-1 [~~holder~~] shall maintain records of any refund or credit of an amount
2-2 of a debt cancellation agreement fee made under Subsection (e) or
2-3 (e-1) and provide electronic access to those records until the
2-4 later of the fourth anniversary of the date of the contract or the
2-5 second anniversary of the date of the refund or credit.

2-6 SECTION 2. The changes in law made by this Act to Section
2-7 [354.007](#), Finance Code, are procedural only and do not require the
2-8 refiling of forms to implement.

2-9 SECTION 3. This Act takes effect September 1, 2023.

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