

A BILL TO BE ENTITLED

AN ACT

relating to prohibiting a retail seller of motor vehicles from imposing certain restrictions on the purchase of a motor vehicle.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter E, Chapter 348, Finance Code, is amended by adding Section 348.415 to read as follows:

Sec. 348.415. RESTRICTIONS ON MOTOR VEHICLE PURCHASES FUNDED OR FINANCED USING PROSPECTIVE BUYER'S OWN MONEY OR THIRD-PARTY FINANCING PROHIBITED. (a) A retail seller may not increase the sale price of a motor vehicle for a prospective buyer who purchases a motor vehicle with:

(1) the prospective buyer's own money; or

(2) a loan from a third-party lender who is neither the retail seller nor affiliated with the retail seller.

(b) A retail seller may not prohibit a prospective buyer from paying the sale price at the time of sale with:

(1) the prospective buyer's own money; or

(2) a loan from a third-party lender who is neither the retail seller nor affiliated with the retail seller.

(c) A retail seller may not make a false or misleading representation that is inconsistent with this section.

SECTION 2. The changes in law made by this Act apply only to an agreement entered into on or after the effective date of this Act.

1 SECTION 3. This Act takes effect September 1, 2025.