

BILL ANALYSIS

S.B. 324
By: Armbrister
Financial Institutions
Committee Report (Unamended)

BACKGROUND AND PURPOSE

In 2001, the Legislature exempted electronic return originators authorized as e-file providers by the Internal Revenue Service from consumer loan licensing requirements if they make loans based on an individual's tax refund. However, this legislation did not exempt electronic return originators from the registration duties and other requirements placed on credit service organizations, which are individuals and companies in the business of assisting others in repairing their credit or obtaining a loan.

S.B. 324 would exempt an electronic return originator from the requirements applicable to credit service organizations.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 324 amends Section 393.002(a), Finance Code to exempt electronic return originators that are authorized Internal Revenue Service e-file providers from the requirements applicable to credit service organizations.

EFFECTIVE DATE

On passage, or if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.