

By: Solomons

H.B. No. 2409

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the disclosure of certain information held by a  
3 business offering check verification or check guarantee services.

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

5 SECTION 1. Section 20.06, Business & Commerce Code, is  
6 amended by adding subsection (h) to read as follows:

7 (h) This section applies to a business offering check  
8 verification or check guarantee services in this state.

9 SECTION 2. Chapter 20, Business & Commerce Code, is amended  
10 by adding Section 20.11 to read as follows:

11 Sec. 20.11. CHECK VERIFICATION AND CHECK GUARANTEE  
12 SERVICES; DISCLOSURES TO CONSUMERS. (a) In this section, "check  
13 verifier" means any business offering check verification or check  
14 guarantee services in this state.

15 (b) On request and proper identification provided by a  
16 consumer, a check verifier shall disclose to the consumer in  
17 writing all information pertaining to the consumer in the check  
18 verifier's files at the time of the request, including:

19 (1) the criteria used by the check verifier to reject a  
20 check from the consumer;

21 (2) a set of instructions describing how information  
22 is presented on the check verifier's written disclosure of the  
23 consumer file; and

24 (3) a toll-free number at which personnel are

1 available to consumers during normal business hours for use in  
2 resolving a dispute if the consumer submits a written dispute to the  
3 check verifier.

4 (c) A check verifier may not charge a consumer for  
5 disclosing the information required under Subsection (b) if the  
6 check verifier has rejected a check from the consumer in the 30 days  
7 prior to the consumer's request for information. A check verifier  
8 may otherwise impose a reasonable charge on a consumer for the  
9 disclosure of information pertaining to the consumer in an amount  
10 not to exceed \$8.

11 SECTION 3. This Act takes effect September 1, 2003.