

By: Dunnam

H.B. No. 3111

A BILL TO BE ENTITLED

AN ACT

relating to damages and certain other protections afforded to a consumer with regard to the action of a debt collector.

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

SECTION 1. Subchapter D, Chapter 392, Finance Code, is amended by adding Section 392.307 to read as follows:

Sec. 392.307. CEASING COMMUNICATIONS. (a) In debt collection, a debt collector may not continue to communicate with a consumer regarding a debt if the consumer notifies the debt collector in writing that the consumer:

(1) refuses to pay the debt; or

(2) wishes the debt collector to cease further communications with the consumer.

(b) Subsection (a) does not prevent a debt collector from:

(1) advising the consumer that the debt collector's efforts are being terminated;

(2) notifying the consumer that the debt collector or creditor may pursue a legal or equitable remedy ordinarily invoked by the collector or creditor in the collection of consumer debts; or

(3) notifying the consumer that the debt collector or creditor intends to invoke a specified legal or equitable remedy.

SECTION 2. Section 392.403(a), Finance Code, is amended to read as follows:

(a) A person affected by a violation of this chapter may sue

1 for:

2 (1) injunctive relief to prevent or restrain a  
3 violation of this chapter; and

4 (2) an amount equal to the greater of:

5 (A) the person's actual damages; or

6 (B) \$100 for each [~~sustained as a result of a~~]  
7 violation of this chapter.

8 SECTION 3. Section 392.403(e), Finance Code, is repealed.

9 SECTION 4. (a) This Act takes effect September 1, 2003.

10 (b) The changes in law made by this Act to Section 392.403,  
11 Finance Code, apply only to a cause of action that accrues on or  
12 after the effective date of this Act. A cause of action that  
13 accrues before the effective date of this Act is governed by the law  
14 as it existed immediately before the effective date of this Act, and  
15 that law is continued in effect for this purpose.