

Amend CSHB 2335 (committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering the subsequent SECTION accordingly:

SECTION 11. Chapter 342, Finance Code, is amended by adding the Subchapter M to read as follows:

SUBCHAPTER M. DEFERRED PRESENTMENT TRANSACTIONS

Sec. 342.601. DEFINITIONS. In this subchapter:

(1) "Lender" means a lender licensed under this chapter.

(2) "Member of the United States military" means:

(A) a member of the armed forces of the United States; or

(B) a member of the Texas National Guard who is called to federal active duty.

Sec. 342.602. The Office of Consumer Credit Commissioner shall adopt and enforce rules to protect military borrowers. The rules shall ensure the following:

(1) Before engaging in a deferred presentment transaction, a lender shall provide to a customer who is a member of the United States military or the member's spouse a written statement that clearly and conspicuously states that:

(1) the lender is prohibited by law from:

(A) garnishing the wages of any borrower, including a borrower who is a member of the United States military;

(B) conducting any collection activity against a borrower who is:

(i) a member of the armed forces of the United States who is deployed to combat or a combat support posting, for the duration of the posting;

(ii) a member of the Texas National Guard who is called to federal active duty, for the duration of the duty;

(iii) the spouse of a person described by Paragraph (i), for the duration of the posting; or

(iv) the spouse of a person described by Paragraph (ii), for the duration of the duty; or

(C) from contacting the employer of a member of the United States military about a deferred presentment debt of the

member or the member's spouse;

(2) the lender shall honor the terms of a repayment agreement entered into with a member of the United States military or the member's spouse, including a repayment agreement negotiated through military counselors or third-party credit counselors; and

(3) the lender shall honor any statement made by a commanding officer of a member of the United States military declaring any location where deferred presentment transaction business is to be conducted by the lender to be a place at which a member of the United States military or the member's spouse is prohibited from transacting business.

Sec. 342.603. The Office of Consumer Credit Commissioner shall adopt and enforce rules to protect military borrowers. The rules shall ensure the following:

(1) A lender may not contact the employer of a member of the United States military about a deferred presentment debt of the member or the member's spouse.

(2) A lender may not engage in collection activity against a borrower who is:

(a) a member of the armed forces of the United States who is deployed to combat or a combat support posting, for the duration of the posting;

(b) a member of the Texas National Guard who is called to federal active duty, for the duration of the duty;

(c) the spouse of a person described by Subdivision (1), for the duration of the posting; or

(d) the spouse of a person described by Subdivision (2), for the duration of the duty.

(3) A lender may not garnish the wages of a borrower who is a member of the United States military or the member's spouse.

(4) A lender shall honor a repayment agreement entered into with a borrower who is a member of the United States military or the member's spouse, including a repayment agreement negotiated through a military counselor or a third-party credit counselor.