

By: Giddings

H.B. No. 628

A BILL TO BE ENTITLED

1 AN ACT

2 relating to debt collection after a consumer has filed a report with
3 a law enforcement agency.

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

5 SECTION 1. Section 392.303(a), Finance Code, is amended to
6 read as follows:

7 (a) In debt collection, a debt collector may not use unfair
8 or unconscionable means that employ the following practices:

9 (1) seeking or obtaining a written statement or
10 acknowledgment in any form that specifies that a consumer's
11 obligation is one incurred for necessities of life if the
12 obligation was not incurred for those necessities; ~~or~~

13 (2) collecting or attempting to collect interest or a
14 charge, fee, or expense incidental to the obligation unless the
15 interest or incidental charge, fee, or expense is expressly
16 authorized by the agreement creating the obligation or legally
17 chargeable to the consumer; or

18 (3) collecting or attempting to collect an obligation
19 under a check, draft, debit payment, or credit card payment, if:

20 (A) the check or draft was dishonored or the
21 debit payment or credit card payment was refused because the check
22 or draft was not drawn or the payment was not made by a person
23 authorized to use the applicable account;

24 (B) the debt collector has received written

1 notice from a person authorized to use the account that the check,
2 draft, or payment was unauthorized; and

3 (C) the person authorized to use the account has
4 filed a report concerning the unauthorized check, draft, or payment
5 with a law enforcement agency, as defined by Article 59.01, Code of
6 Criminal Procedure.

7 SECTION 2. This Act takes effect September 1, 2005.