

By: Burnam

H.B. No. 1089

A BILL TO BE ENTITLED

AN ACT

relating to information provided by a creditor under a revolving credit account concerning payment of the balance amount.

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

SECTION 1. Subchapter C, Chapter 346, Finance Code, is amended by adding Section 346.207 to read as follows:

Sec. 346.207. STATEMENT OF PAY-OFF DATE. (a) If a periodic bill delivered to the customer under a revolving credit account allows the customer to make a minimum payment on the account that is less than the entire outstanding balance, the creditor shall include on the bill, at a location directly below the location where the minimum payment is stated, a statement of the date that the then outstanding balance would be paid in full if the minimum payment were made for each subsequent periodic bill, assuming that no additional extensions of credit were debited to the account.

(b) This section applies to an account with a customer who is a resident of this state regardless of the location of the creditor. Notwithstanding any other state law, an agreement made in connection with the account is void to the extent the agreement waives the application of this section or applies the law of a jurisdiction other than this state that is inconsistent with this section.

SECTION 2. This Act applies only to an account agreement entered into, amended, or renewed on or after the effective date of

1 this Act.

2 SECTION 3. This Act takes effect September 1, 2005.