

By: Thompson

H.B. No. 2985

A BILL TO BE ENTITLED

AN ACT

relating to requirements for type size of provisions of a contractual agreement; providing a civil penalty.

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

SECTION 1. Subchapter D, Chapter 35, Business & Commerce Code, is amended by adding Section 35.60 to read as follows:

Sec. 35.60. PROVISIONS OF A CONTRACTUAL AGREEMENT. (a) This section applies to a person who offers to sell or provide by contract to another person in this state:

(1) a product or service described in a contractual agreement detailing provisions of a warranty or interest rate.

(b) On request of the consumer, a person described by Subsection (a) must provide the consumer with a written contract with all provisions printed in at least ten-point type. The contract must be postmarked no later than 30 days from the contract request.

(c) A person who violates this section is liable to the state for a civil penalty in an amount not to exceed \$2,000 for each violation and for each day of a continuing violation. The attorney general or the prosecuting attorney in the county in which the violation occurs may bring suit to recover the civil penalty imposed under this section.

(d) The attorney general may bring an action in the name of the state to restrain or enjoin a person from violating this

1 section.

2 SECTION 2. Section 35.60, Business & Commerce Code, as
3 added by this Act, takes effect September 1, 2005, and applies only
4 to a written advertisement published or displayed on or after that
5 date.