

By: Shapleigh

S.B. No. 72

A BILL TO BE ENTITLED

AN ACT

relating to assistance of a deferred presentment transaction.

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

SECTION 1. Subchapter A, Chapter 342, Finance Code, is amended by adding Section 342.010 to read as follows:

Sec. 342.010. ASSISTING DEFERRED PRESENTMENT TRANSACTION.

(a) A person may not assist in the creation of a deferred presentment transaction between a lender and consumer at a rate or amount of interest not authorized by this chapter, regardless of whether the lender is subject to this chapter.

(b) Notwithstanding Section 1.105, Business & Commerce Code, or any other state law, an agreement made in connection with a deferred presentment transaction to which Subsection (a) applies is void to the extent the agreement:

(1) waives the application of this section; or

(2) applies the law of a jurisdiction other than this state to determine the permissible rate or amount of interest applicable to the transaction.

(c) For the purposes of Chapter 349, a person who assists in the creation of a deferred presentment transaction is considered to contract for interest.

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