

BILL ANALYSIS

C.S.S.B. 855
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Financial Institutions
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Congress recently enacted legislation that affects extension of consumer credit to military servicemembers. C.S.S.B. 885 amends the Finance Code to allow the Office of Consumer Credit Commissioner to receive and investigate complaints regarding the federal law on extensions of consumer credit to certain military servicemembers.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

ANALYSIS

C.S.S.B. 855 amends Chapter 14 of the Finance Code by adding Section 14.109, regarding to complaints regarding extensions of consumer credit to certain servicemembers or their dependents. C.S.S.B. 855 allows the Office of Consumer Credit Commissioner (the office) to receive and investigate complaints against creditors in this state regarding violations of 10 U.S.C. Section 987 and regulations prescribed by the Secretary of Defense to carry out that section. If the office has reason to believe that a violation has occurred, the office will refer the complaint to the appropriate federal authorities.

EFFECTIVE DATE

September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.S.B. 855 deletes all proposed language in the original bill and replaces it the following language: "The office will receive and investigate complaints against creditors in this state regarding violations of 10 U.S.C. Section 987 and regulations prescribed by the secretary of dense to carry out that section. If the office has reason to believe that a violation has occurred, the office will refer the complaint to the appropriate federal authorities."