

By: Dutton

H.B. No. 909

A BILL TO BE ENTITLED

1 AN ACT

2 relating to a cap on the total amount to be paid by a consumer under  
3 a rental-purchase agreement.

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

5 SECTION 1. Subchapter F, Chapter 35, Business & Commerce  
6 Code, is amended by adding Section 35.735 to read as follows:

7 Sec. 35.735. CAP ON TOTAL AMOUNT TO BE PAID BY CONSUMER.

8 The total amount to be paid by a consumer to acquire ownership of  
9 merchandise under a rental-purchase agreement may not exceed an  
10 amount equal to the sum of:

11 (1) the cash price of the merchandise; and

12 (2) 15 percent of the cash price of the merchandise.

13 SECTION 2. The change in law made by this Act applies only  
14 to a rental-purchase agreement entered into on or after the  
15 effective date of this Act. A rental-purchase agreement entered  
16 into before the effective date of this Act is covered by the law in  
17 effect on the date the rental-purchase agreement was entered into,  
18 and the former law is continued in effect for that purpose.

19 SECTION 3. This Act takes effect immediately if it receives  
20 a vote of two-thirds of all the members elected to each house, as  
21 provided by Section 39, Article III, Texas Constitution. If this  
22 Act does not receive the vote necessary for immediate effect, this  
23 Act takes effect September 1, 2007.