

By: Parker

H.B. No. 1058

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a credit card company's liability for the fraudulent
3 use of unsolicited credit card checks sent by the company.

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

5 SECTION 1. Subchapter D, Chapter 35, Business & Commerce
6 Code, is amended by adding Section 35.396 to read as follows:

7 Sec. 35.396. LIABILITY FOR FRAUDULENT USE OF UNSOLICITED
8 CREDIT CARD CHECK. (a) In this section, "credit card check" means
9 a device in the form of a check that, if completed, could be used to
10 make a charge to a credit card account.

11 (b) A credit card company that provides a credit card check
12 to a credit card holder is liable for any financial loss incurred by
13 the holder that results from the fraudulent use of that credit card
14 check, if the holder:

15 (1) did not request the provision of the credit card
16 check; and

17 (2) filed a criminal complaint regarding the
18 fraudulent use of the credit card check, alleging an offense under
19 Section 32.51, Penal Code, or other law.

20 SECTION 2. Section 35.396, Business & Commerce Code, as
21 added by this Act, applies only to a credit card check provided to a
22 credit card holder on or after September 1, 2007.

23 SECTION 3. This Act takes effect September 1, 2007.