

By: Pickett

H.B. No. 1555

Substitute the following for H.B. No. 1555:

By: Solomons

C.S.H.B. No. 1555

A BILL TO BE ENTITLED

AN ACT

relating to the correction of an error regarding the account of a credit card holder.

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

SECTION 1. Chapter 339, Finance Code, is amended by adding Section 339.006 to read as follows:

Sec. 339.006. INVESTIGATION AND CORRECTION OF ERROR REGARDING CREDIT CARD ACCOUNT. (a) In this section:

(1) "Credit card" means a card or device issued under an agreement by which the issuer gives to a cardholder the right to obtain credit from the issuer or another person.

(2) "Credit card company" means the entity to which the credit card holder makes payment on the credit obtained by using the credit card.

(b) If the holder of a credit card contacts the credit card company regarding an error with respect to the interest or fees charged to the holder by the company, the company shall, not later than the 45th day after the date the company receives the notification:

(1) determine whether an error has been made; and

(2) notify the holder of the determination by telephone, facsimile, or electronic mail.

(c) If the credit card company determines under Subsection (b) that an error has been made with respect to the interest or fees

1 charged to a credit card holder, the company shall:

2 (1) credit any overcharges to the holder's account and
3 permanently correct the error, not later than the fifth business
4 day after the 45th day after the date on which the company receives
5 the notification under Subsection (b); and

6 (2) send to the holder written notice acknowledging
7 the error to be corrected.

8 (d) Written notice under Subsection (c)(2) must be received
9 by the holder not later than the fifth business day after the 45th
10 day after the date on which the company receives the notification
11 under Subsection (b).

12 (e) A credit card company shall include a notice on or with a
13 credit card account statement provided by the company. The notice
14 must:

15 (1) be conspicuous;

16 (2) provide the name and telephone number of the
17 federal regulatory agency that has primary jurisdiction to regulate
18 the activities of the credit card company; and

19 (3) state: "For complaints about dispute resolution,
20 contact (name and telephone number of applicable federal regulatory
21 agency)."

22 (f) A violation of this section is a deceptive trade
23 practice under Subchapter E, Chapter 17, Business & Commerce Code.
24 For purposes of an action brought under that statute as provided by
25 this subsection, the provision of credit under a credit card
26 agreement is considered a service and a credit card holder is
27 considered a consumer.

1 SECTION 2. Sections 339.006(b)-(d), Finance Code, as added
2 by this Act, apply only to an error about which a credit card
3 company is notified as provided by that section on or after
4 September 1, 2007. Section 339.006(e), Finance Code, as added by
5 this Act, applies only to an account statement provided by a credit
6 card company on or after September 1, 2007.

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