

By: Davis, Rodriguez

S.B. No. 998

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the partial repayment of certain extensions of consumer  
3 credit obtained for a consumer by a credit access business or that a  
4 credit access business assists the consumer in obtaining.

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

6 SECTION 1. Subchapter G, Chapter 393, Finance Code, is  
7 amended by adding Section 393.629 to read as follows:

8 Sec. 393.629. PARTIAL REPAYMENT OF PRINCIPAL BALANCE OF  
9 CERTAIN EXTENSIONS OF CONSUMER CREDIT. A credit access business  
10 may not obtain for a consumer or assist a consumer in obtaining an  
11 extension of consumer credit in the form of a deferred presentment  
12 transaction or motor vehicle title loan unless the loan contract  
13 provides that the lender must accept partial repayment of the  
14 principal balance of the loan from the consumer, with no additional  
15 fees or penalties, at any time during regular business hours.

16 SECTION 2. Section 393.629, Finance Code, as added by this  
17 Act, applies only to an extension of credit made on or after the  
18 effective date of this Act. An extension of credit made before the  
19 effective date of the Act is governed by the law in effect on the  
20 date the extension of credit was made, and the former law is  
21 continued in effect for that purpose.

22 SECTION 3. This Act takes effect September 1, 2013.