

By: Davis

S.B. No. 1714

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to insufficient funds charges and check or debit  
3 authorization for a deferred presentment transaction.

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

5 SECTION 1. Subchapter G, Chapter 393, Finance Code, is  
6 amended by adding Section 393.631 to read as follows:

7 Sec. 393.631. INSUFFICIENT FUNDS CHARGE. (a) This section  
8 applies to the presentation for payment of a personal check or  
9 authorization to debit a deposit account exchanged for a cash  
10 advance under a deferred presentment transaction that was obtained  
11 for a consumer by a credit access business or that a credit access  
12 business assisted a consumer in obtaining.

13 (b) If there are insufficient funds in the account to pay  
14 the check or make the debit on the date the check or authorization  
15 to debit is presented in accordance with the terms of the deferred  
16 presentment transaction, the consumer may not be charged more than  
17 \$25 in the aggregate, regardless of how many times presentation is  
18 made for payment on the account.

19 (c) A credit access business may not present a check or  
20 authorization to debit more than twice without written consent of  
21 the consumer.