

By: Craddick

H.B. No. 3047

A BILL TO BE ENTITLED

1 AN ACT

2 relating to credit services organizations and extensions of
3 consumer credit facilitated by credit services organizations;
4 increasing a criminal penalty.

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

6 SECTION 1. Subchapter M, Chapter 342, Finance Code, is
7 amended by adding Section 342.607 to read as follows:

8 Sec. 342.607. DEFERRED PRESENTMENT TRANSACTION DATA
9 COLLECTION SYSTEM. (a) In this section, "credit access business"
10 has the meaning assigned by Section 393.001(2-a).

11 (b) The commissioner shall establish and implement a
12 database for the compilation of information relating to deferred
13 presentment transactions that allows the commissioner or persons
14 who offer, service, or broker the transactions, including a credit
15 access business, to determine:

16 (1) whether an individual seeking to enter into a
17 deferred presentment transaction with the person has any
18 outstanding deferred presentment transactions entered into with
19 other persons;

20 (2) the total number of outstanding deferred
21 presentment transactions entered into by the individual described
22 by Subdivision (1) with other persons; and

23 (3) whether the person is in compliance with this
24 section and other provisions of law governing deferred presentment

1 transactions.

2 (c) The commissioner shall contract with a third-party
3 vendor to operate the database required by this section. In
4 selecting the vendor, the commissioner shall:

5 (1) consider the vendor's ability to meet the
6 requirements of this section;

7 (2) consider the cost of the vendor's services;

8 (3) give strong consideration to the vendor's ability
9 to prevent fraud, abuse, and other unlawful activity associated
10 with deferred presentment transactions;

11 (4) give strong consideration to whether the vendor
12 operates a similar database in another state; and

13 (5) give strong consideration to whether the vendor's
14 operation of the database would facilitate the enforcement of laws
15 governing deferred presentment transactions and the persons who
16 offer, service, or broker those transactions.

17 (d) The commissioner shall ensure that:

18 (1) the third-party vendor operating the database
19 operates the database in accordance with this section and rules
20 adopted by the finance commission under this section; and

21 (2) the database established under this section:

22 (A) allows persons required to submit
23 information to the database to submit and access the required
24 information from any location in this state;

25 (B) provides real-time access by the
26 commissioner to information contained in the database from any
27 location in this state; and

1 (C) contains safeguards to ensure that
2 information contained in the database may not be accessed by an
3 unauthorized person.

4 (e) A person who offers, services, or brokers a deferred
5 presentment transaction, including a credit access business, shall
6 submit to the database at the time the transaction is entered into
7 data relating to the transaction that the commissioner, by rule of
8 the finance commission, determines necessary.

9 (f) Information in the database is confidential and is not
10 subject to disclosure under Chapter 552, Government Code.

11 (g) The finance commission shall adopt rules as necessary to
12 implement this section, including rules:

13 (1) relating to the form and content of information to
14 be submitted to the database;

15 (2) prescribing a fee to be paid by persons required to
16 submit information to be included in the database under Subsection
17 (e); and

18 (3) establishing requirements for the retention,
19 archiving, and deletion of information entered into or stored in
20 the database.

21 (h) The third-party vendor shall charge a person who offers,
22 services, or brokers a deferred presentment transaction a fee to
23 access or use the database under this section. The fee may be
24 charged on a per-transaction basis and may be used only to pay the
25 costs associated with the maintenance of the database under this
26 section. The finance commission by rule must approve the amount of
27 the fee, which may not exceed \$1 per deferred presentment

1 transaction.

2 (i) A person who ceases to offer, service, or broker
3 deferred presentment transactions shall continue to submit
4 information required by this section for any transactions that are
5 outstanding and with respect to which the person continues
6 collection efforts. Not later than the 10th day after the date the
7 person ceases to offer deferred presentment transactions, the
8 person shall submit to the commissioner for approval a plan for
9 continuing compliance with this section. The commissioner shall
10 promptly approve or disapprove the plan. The commissioner may
11 require a person to whom this subsection applies to submit a new or
12 modified plan.

13 SECTION 2. Section 393.001, Finance Code, is amended by
14 amending Subdivision (3) and adding Subdivisions (2-a), (3-a), (5),
15 (6), (7), (8), (9), and (10) to read as follows:

16 (2-a) "Credit access business" means a credit services
17 organization that obtains for a consumer or assists a consumer in
18 obtaining an extension of consumer credit.

19 (3) "Credit services organization" means a person who
20 provides, or represents that the person can or will provide, for the
21 payment of valuable consideration any of the following services
22 with respect to the extension of consumer credit by others:

23 (A) improving a consumer's credit history or
24 rating;

25 (B) obtaining an extension of consumer credit for
26 a consumer in the form of a single-payment deferred presentment
27 transaction, a multiple-payment deferred presentment transaction,

1 a single-payment motor vehicle title loan, or a multiple-payment
2 motor vehicle title loan; or

3 (C) providing advice or assistance to a consumer
4 with regard to Paragraph (A) or (B).

5 (3-a) "Deferred presentment transaction" means a
6 single-payment or multiple-payment transaction defined as a
7 deferred presentment transaction by Section 341.001 in connection
8 with which the consumer is not required to provide real or personal
9 property as security.

10 (5) "Motor vehicle title loan" means a single-payment
11 or multiple-payment loan in which an unencumbered motor vehicle is
12 given as the only security for the loan. The term does not include a
13 retail installment transaction under Chapter 348 or another loan
14 made to finance the purchase of a motor vehicle.

15 (6) "Multiple-payment deferred presentment
16 transaction" means a deferred presentment transaction that is not a
17 single-payment deferred presentment transaction.

18 (7) "Multiple-payment motor vehicle title loan" means
19 a motor vehicle title loan that is not a single-payment motor
20 vehicle title loan.

21 (8) "Refinance" means a rollover, renewal, or other
22 type of transaction in which all or a portion of the principal,
23 fees, or interest due under an outstanding extension of consumer
24 credit becomes due on a later date. The term includes a new
25 extension of consumer credit that:

26 (A) consists of debt arising from principal,
27 fees, or interest that was not paid in full under an outstanding or

1 previous extension of consumer credit; or

2 (B) is made on or before the seventh day after the
3 date a previous extension of consumer credit that a credit access
4 business obtained for a consumer or assisted a consumer in
5 obtaining was paid in full.

6 (9) "Single-payment deferred presentment transaction"
7 means a deferred presentment transaction for which the entire cash
8 advance, interest, and fees are required under the terms of the
9 transaction to be payable in a single payment.

10 (10) "Single-payment motor vehicle title loan" means a
11 motor vehicle title loan for which the entire principal, interest,
12 and fees are required under the terms of the loan to be payable in a
13 single payment.

14 SECTION 3. Subchapter A, Chapter 393, Finance Code, is
15 amended by adding Section 393.004 to read as follows:

16 Sec. 393.004. EFFECT ON MUNICIPAL ORDINANCES. (a) This
17 chapter does not preempt a municipal ordinance regulating a credit
18 access business or any form of an extension of consumer credit that
19 a credit access business is authorized to obtain for a consumer or
20 assist a consumer in obtaining as provided by Section 393.308.

21 (b) If a municipal ordinance described by Subsection (a)
22 conflicts with a provision of this chapter regulating a credit
23 access business or an extension of consumer credit described by
24 Subsection (a), the more stringent regulation controls to the
25 extent of the conflict.

26 SECTION 4. Section 393.201(c), Finance Code, is amended to
27 read as follows:

1 (c) A contract with a credit access business [~~as defined by~~
2 ~~Section 393.601,~~] for the performance of services described by
3 Section 393.602(a) must, in addition to the requirements of
4 Subsection (b) and Section 393.302:

5 (1) contain a statement that there is no prepayment
6 penalty;

7 (2) contain a statement that a credit access business
8 must comply with Chapter 392 and the federal Fair Debt Collection
9 Practices Act (15 U.S.C. Section 1692 et seq.) with respect to an
10 extension of consumer credit [~~described by Section 393.602(a)~~];

11 (3) contain a statement that a person may not threaten
12 or pursue criminal charges against a consumer related to a check or
13 other debit authorization provided by the consumer as security for
14 a transaction in the absence of forgery, fraud, theft, or other
15 criminal conduct;

16 (4) contain a statement that a credit access business
17 must comply, to the extent applicable, with 10 U.S.C. Section 987
18 and any regulations adopted under that law with respect to an
19 extension of consumer credit [~~described by Section 393.602(a)~~];

20 (5) disclose to the consumer:

21 (A) the lender from whom the extension of
22 consumer credit is obtained;

23 (B) the interest paid or to be paid to the lender;

24 and

25 (C) the specific fees that will be paid to the
26 credit access business for the business's services; and

27 (6) contain the name and address of the Office of

1 Consumer Credit Commissioner and the telephone number of the
2 office's consumer helpline.

3 SECTION 5. Section 393.203, Finance Code, is amended to
4 read as follows:

5 Sec. 393.203. ISSUANCE OF CONTRACT AND OTHER DOCUMENTS.

6 (a) A credit services organization shall give to the consumer, when
7 the document is signed, a copy of the completed contract and any
8 other document the organization requires the consumer to sign.

9 (b) The contract and other documents provided by a credit
10 access business to a consumer under this section in relation to an
11 extension of consumer credit must be:

12 (1) provided before signing wholly written:

13 (A) in English; and

14 (B) if the contract negotiations are not
15 conducted in English, in the language in which the contract is
16 negotiated; and

17 (2) before signing, read in their entirety in the
18 language in which the contract is negotiated to any consumer who
19 cannot read.

20 SECTION 6. Section 393.223, Finance Code, is amended by
21 amending Subsection (a) and adding Subsection (b-1) to read as
22 follows:

23 (a) Before performing services described by Section
24 393.602(a) [393.221(1)], a credit access business must provide to a
25 consumer a written disclosure adopted by rule of the Finance
26 Commission of Texas [~~that discloses the following~~] in a form
27 prescribed by the commission that:

1 (1) discloses the interest, fees, and annual
2 percentage rates, as applicable, to be charged on a deferred
3 presentment transaction or on a motor vehicle title loan, as
4 applicable, in comparison to interest, fees, and annual percentage
5 rates to be charged on other alternative forms of consumer debt;

6 (2) discloses the amount of accumulated fees a
7 consumer would incur by renewing or refinancing a deferred
8 presentment transaction or motor vehicle title loan that remains
9 outstanding for a period of two weeks, one month, two months, and
10 three months; ~~and~~

11 (3) provides information regarding the typical
12 pattern of repayment of deferred presentment transactions and motor
13 vehicle title loans; and

14 (4) references nonprofit agencies that provide
15 financial education and training or cash assistance to borrowers.

16 (b-1) The disclosure and notice required by this section
17 must be:

18 (1) available in English and Spanish at each location
19 at which the credit access business performs services described by
20 Section 393.602(a); and

21 (2) provided to a consumer wholly written, and read in
22 their entirety at the time provided to any consumer who cannot read,
23 in the language in which the contract is negotiated.

24 SECTION 7. Subchapter D, Chapter 393, Finance Code, is
25 amended by adding Section 393.308 to read as follows:

26 Sec. 393.308. PROHIBITION ON OBTAINING CERTAIN EXTENSIONS
27 OF CONSUMER CREDIT. A credit services organization may not obtain

1 for a consumer or assist a consumer in obtaining an extension of
2 consumer credit in any form other than in the form of a
3 single-payment deferred presentment transaction, a
4 multiple-payment deferred presentment transaction, a
5 single-payment motor vehicle title loan, or a multiple-payment
6 motor vehicle title loan.

7 SECTION 8. Section 393.501, Finance Code, is amended by
8 adding Subsection (c) to read as follows:

9 (c) Each day of a continuing violation of a provision of
10 Subchapter C-1 or G constitutes a separate offense.

11 SECTION 9. Section 393.602(a), Finance Code, is amended to
12 read as follows:

13 (a) This subchapter applies only to a credit services
14 organization that obtains for a consumer or assists a consumer in
15 obtaining an extension of consumer credit [~~in the form of:~~

16 ~~(1) a deferred presentment transaction; or~~

17 ~~(2) a motor vehicle title loan].~~

18 SECTION 10. Section 393.604(a), Finance Code, is amended to
19 read as follows:

20 (a) An application for a license under this subchapter must:

21 (1) be under oath;

22 (2) contain the applicant's name and the street
23 address, mailing address, facsimile number, and telephone number of
24 the applicant at the location for which the license is sought;

25 (3) give the approximate location from which the
26 business is to be conducted;

27 (4) [~~(3)~~] identify the business's principal parties in

1 interest;

2 (5) [~~(4)~~] contain the name, physical address, and
3 telephone number of all third-party lender organizations:

4 (A) with which the business contracts to provide
5 services described by Section 393.602(a); or

6 (B) from which the business arranges extensions
7 of consumer credit [~~described by Section 393.602(a)~~]; and

8 (6) [~~(5)~~] contain other relevant information that the
9 commissioner requires for the findings required under Section
10 393.607.

11 SECTION 11. Section 393.620, Finance Code, is amended to
12 read as follows:

13 Sec. 393.620. TRANSFER OR ASSIGNMENT OF LICENSE PROHIBITED.
14 A license may not be transferred or assigned [~~only with the approval~~
15 ~~of the commissioner~~].

16 SECTION 12. Sections 393.622(a) and (b), Finance Code, are
17 amended to read as follows:

18 (a) The finance commission may:

19 (1) adopt rules necessary to enforce and administer
20 this subchapter;

21 (2) adopt rules with respect to the quarterly
22 reporting by a credit access business licensed under this
23 subchapter of summary business information relating to extensions
24 of consumer credit the business obtained for a consumer or assisted
25 a consumer in obtaining [~~described by Section 393.602(a)~~]; and

26 (3) adopt rules with respect to periodic examination
27 by the office relating to extensions of consumer credit the

1 business obtained for a consumer or assisted a consumer in
2 obtaining [~~described by Section 393.602(a)~~], including rules
3 related to charges for defraying the reasonable cost of conducting
4 the examinations.

5 (b) The finance commission may adopt rules under this
6 section to allow the commissioner to review, as part of a periodic
7 examination, any relevant contracts between the credit access
8 business and the third-party lender organizations with which the
9 credit access business contracts to provide services described by
10 Section 393.602(a) or from which the business arranges extensions
11 of consumer credit [~~described by Section 393.602(a)~~]. A contract
12 or information obtained by the commissioner under this section is
13 considered proprietary and confidential to the respective parties
14 to the contract, and is not subject to disclosure under Chapter 552,
15 Government Code.

16 SECTION 13. Sections 393.625, 393.626, and 393.627, Finance
17 Code, are amended to read as follows:

18 Sec. 393.625. MILITARY BORROWERS. An extension of consumer
19 credit [~~described by Section 393.602(a)~~] that is obtained by a
20 credit access business for a member of the United States military or
21 a dependent of a member of the United States military or that the
22 business assisted that person in obtaining must comply with 10
23 U.S.C. Section 987 and any regulations adopted under that law, to
24 the extent applicable.

25 Sec. 393.626. DEBT COLLECTION PRACTICES. A violation of
26 Chapter 392 by a credit access business with respect to obtaining
27 for a consumer or assisting a consumer in obtaining an extension of

1 consumer credit [~~described by Section 393.602(a)~~] constitutes a
2 violation of this subchapter.

3 Sec. 393.627. QUARTERLY REPORT TO COMMISSIONER. A credit
4 access business shall file a quarterly report with the commissioner
5 on a form prescribed by the commissioner that provides the
6 following information relating to extensions of consumer credit
7 [~~described by Section 393.602(a)~~] during the preceding quarter:

8 (1) the number of consumers for whom the business
9 obtained or assisted in obtaining those extensions of consumer
10 credit;

11 (2) the number of those extensions of consumer credit
12 obtained by the business or that the business assisted consumers in
13 obtaining;

14 (3) the number of refinancing transactions of the
15 extensions of consumer credit described by Subdivision (2);

16 (4) the number of consumers refinancing the extensions
17 of consumer credit described by Subdivision (2);

18 (5) the number of consumers refinancing more than once
19 the extensions of consumer credit described by Subdivision (2);

20 (6) the average amount of the extensions of consumer
21 credit described by Subdivision (2);

22 (7) the total amount of fees charged by the business
23 for the activities described by Subdivision (1);

24 (8) the number of vehicles surrendered or repossessed
25 under the terms of an extension of consumer credit in the form of a
26 motor vehicle title loan obtained by the business or that the
27 business assisted a consumer in obtaining;

1 (9) the mean, median, and mode of the number of
2 extensions of consumer credit obtained by consumers as a result of
3 entering into the extensions of consumer credit described by
4 Subdivision (2); and

5 (10) any related information the commissioner
6 determines necessary.

7 SECTION 14. Subchapter G, Chapter 393, Finance Code, is
8 amended by adding Sections 393.629 through 393.637 to read as
9 follows:

10 Sec. 393.629. GENERAL LIMITATIONS ON EXTENSIONS OF CONSUMER
11 CREDIT; PAYMENT METHOD. (a) The provisions of this chapter
12 applicable to a credit access business apply to any consumer
13 physically located in this state at the time the extension of
14 consumer credit is made, regardless of whether the extension of
15 consumer credit was made in person in this state.

16 (b) A credit access business shall accept a payment made in
17 cash or by electronic transfer, cashier's check, teller's check, or
18 money order offered by the consumer or another party, to retire or
19 otherwise pay down debt incurred under an extension of consumer
20 credit that a credit access business obtained for a consumer or
21 assisted a consumer in obtaining under this chapter.

22 Sec. 393.630. ESTABLISHMENT OF INCOME. A credit access
23 business must require documentation to establish a consumer's
24 income for purposes of this subchapter. The only acceptable forms
25 of documentation are paper, facsimile, or electronic copies of:

26 (1) a payroll document;

27 (2) a paycheck;

- 1 (3) a bank, credit union, debit card, or other account
- 2 statement;
- 3 (4) a report from a nationally or regionally
- 4 recognized credit and data reporting company;
- 5 (5) Internal Revenue Service Form W-2 from the
- 6 preceding year;
- 7 (6) the income tax return from the preceding tax year;
- 8 or
- 9 (7) a signed letter from the consumer's employer at the
- 10 time the extension of consumer credit is sought.

11 Sec. 393.631. SINGLE-PAYMENT DEFERRED PRESENTMENT
12 TRANSACTION. (a) The sum of all fees, principal, interest, and
13 other amounts due under an extension of consumer credit in the form
14 of a single-payment deferred presentment transaction that a credit
15 access business obtains for a consumer or assists a consumer in
16 obtaining may not exceed 20 percent of the consumer's gross monthly
17 income.

18 (b) An extension of consumer credit in the form of a
19 single-payment deferred presentment transaction that a credit
20 access business obtains for a consumer or assists a consumer in
21 obtaining may not be refinanced more than three times. An amount
22 from each payment of a refinanced deferred presentment transaction
23 described by this subsection must be used to repay at least 25
24 percent of the principal amount of the original debt.

25 Sec. 393.632. MULTIPLE-PAYMENT DEFERRED PRESENTMENT
26 TRANSACTION. (a) The sum of all fees, principal, interest, and
27 other amounts due under all scheduled payments of an extension of

1 consumer credit in the form of a multiple-payment deferred
2 presentment transaction that a credit access business obtains for a
3 consumer or assists a consumer in obtaining may not exceed 20
4 percent of the consumer's gross monthly income.

5 (b) An extension of consumer credit in the form of a
6 multiple-payment deferred presentment transaction that a credit
7 access business obtains for a consumer or assists a consumer in
8 obtaining and all fees associated with the debt may not be payable
9 by the consumer in more than four installments. An amount from
10 each installment payment must be used to repay at least 25 percent
11 of the principal amount of the debt.

12 (c) An extension of consumer credit in the form of a
13 multiple-payment deferred presentment transaction that a credit
14 access business obtains for a consumer or assists a consumer in
15 obtaining may not be refinanced.

16 Sec. 393.633. SINGLE-PAYMENT MOTOR VEHICLE TITLE LOAN.

17 (a) The sum of all fees, principal, interest, and other amounts
18 due under an extension of consumer credit in the form of a
19 single-payment motor vehicle title loan that a credit access
20 business obtains for a consumer or assists a consumer in obtaining
21 may not exceed the lesser of:

22 (1) three percent of the consumer's gross annual
23 income; or

24 (2) 70 percent of the retail value of the motor vehicle
25 securing the debt.

26 (b) An extension of consumer credit in the form of a
27 single-payment motor vehicle title loan that a credit access

1 business obtains for a consumer or assists a consumer in obtaining
2 may not be refinanced more than three times. An amount from each
3 payment of a refinanced motor vehicle title loan described by this
4 subsection must be used to repay at least 25 percent of the
5 principal amount of the original debt.

6 Sec. 393.634. MULTIPLE-PAYMENT MOTOR VEHICLE TITLE LOAN.

7 (a) The sum of all fees, principal, interest, and other amounts
8 due under all scheduled payments of an extension of consumer credit
9 in the form of a multiple-payment motor vehicle title loan that a
10 credit access business obtains for a consumer or assists a consumer
11 in obtaining may not exceed the lesser of:

12 (1) three percent of the consumer's gross annual
13 income; or

14 (2) 70 percent of the retail value of the motor vehicle
15 securing the debt.

16 (b) An extension of consumer credit in the form of a
17 multiple-payment motor vehicle title loan that a credit access
18 business obtains for a consumer or assists a consumer in obtaining
19 and all fees associated with the debt may not be payable by the
20 consumer in more than four installments. An amount from each
21 installment payment must be used to repay at least 25 percent of the
22 principal amount of the debt.

23 (c) An extension of consumer credit in the form of a
24 multiple-payment motor vehicle title loan that a credit access
25 business obtains for a consumer or assists a consumer in obtaining
26 may not be refinanced.

27 Sec. 393.635. REFINANCES. (a) Any refinance of an

1 extension of consumer credit that a credit access business obtains
2 for a consumer or assists a consumer in obtaining:

3 (1) must be authorized under this subchapter;

4 (2) must be in the same form as the original extension
5 of consumer credit; and

6 (3) must meet all the requirements applicable to the
7 original extension of consumer credit, including the duration,
8 transaction, and applicable income-based or vehicle value-based
9 limitations under Section 393.631(a), 393.632(a), 393.633(a), or
10 393.634(a).

11 (b) For purposes of this section, a single-payment deferred
12 presentment transaction, a multiple-payment deferred presentment
13 transaction, a single-payment motor vehicle title loan, and a
14 multiple-payment motor vehicle title loan are the different forms
15 of extensions of consumer credit that a credit access business may
16 obtain for a consumer or assist a consumer in obtaining.

17 (c) A person may not use a device, subterfuge, or pretense
18 to evade the refinance requirements and limitations imposed on a
19 credit access business under this subchapter.

20 Sec. 393.636. MAINTENANCE OF RECORDS. (a) A credit access
21 business shall maintain a complete set of records of all extensions
22 of consumer credit obtained for consumers by the business or that
23 the business assisted consumers in obtaining. The record
24 pertaining to each extension of consumer credit must be retained
25 until the third anniversary of the date the extension of consumer
26 credit was obtained and must include:

27 (1) the name and address of the consumer;

1 (2) the principal amount of the cash advance or loan;

2 (3) the length of the original term of the extension of
3 consumer credit, the number of installments or refinances, if
4 applicable, and the length of the term of any refinance;

5 (4) the fees charged by the credit access business for
6 obtaining for a consumer or assisting the consumer in obtaining the
7 extension of consumer credit; and

8 (5) the documentation used to establish a consumer's
9 income under Section 393.630.

10 (b) A credit access business shall retain a copy of each
11 written agreement between the business and a consumer pertaining to
12 an extension of consumer credit, including any agreement regarding
13 refinancing an extension of consumer credit, until the third
14 anniversary of the date on which the agreement was entered into.

15 (c) A credit access business shall retain a copy of each
16 report filed under Section 393.627 until the third anniversary of
17 the date on which the report was filed.

18 (d) A record described by this section must be available for
19 inspection on request by the office during the normal business
20 hours of the credit access business.

21 Sec. 393.637. RULES. The finance commission shall adopt
22 any rules necessary to implement Sections 393.629-393.636.

23 SECTION 15. The following laws are repealed:

24 (1) Section 393.221, Finance Code; and

25 (2) Sections 393.601(2), (3), and (5), Finance Code.

26 SECTION 16. The consumer credit commissioner shall
27 establish and implement the database under Section 342.607, Finance

1 Code, as added by this Act, not later than January 1, 2016, and
2 shall prescribe the date by which a person who offers, services, or
3 brokers a deferred presentment transaction must begin submitting
4 data as provided by that section.

5 SECTION 17. The changes in law made by this Act apply only
6 to an extension of consumer credit made on or after the effective
7 date of this Act. An extension of consumer credit made before the
8 effective date of this Act is governed by the law in effect on the
9 date the extension of consumer credit was made, and the former law
10 is continued in effect for that purpose. For purposes of this
11 section, a refinance of an extension of consumer credit is
12 considered made on the date the extension of consumer credit being
13 refinanced was made.

14 SECTION 18. (a) The change in law made by this Act to
15 Section 393.223, Finance Code, applies only to a disclosure or
16 notice provided by a credit access business on or after January 1,
17 2016. A disclosure or notice provided by a credit access business
18 before January 1, 2016, is governed by Section 393.223, Finance
19 Code, as that section existed immediately before the effective date
20 of this Act, and that law is continued in effect for that purpose.

21 (b) The Finance Commission of Texas shall adopt rules
22 prescribing forms under Section 393.223(a), Finance Code, as
23 amended by this Act, not later than November 1, 2015.

24 SECTION 19. Section 393.636, Finance Code, as added by this
25 Act, applies only to a record created on or after the effective date
26 of this Act. A record created before the effective date of this Act
27 is governed by the law in effect when the record was created, and

1 the former law is continued in effect for that purpose.

2 SECTION 20. This Act takes effect September 1, 2015.