

By: Turner of Tarrant

H.B. No. 3599

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the sale of collateral in connection with certain
3 extensions of consumer credit that a credit access business obtains
4 for a consumer or assists a consumer in obtaining; providing a civil
5 penalty.

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

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

9 Sec. 393.629. SURPLUS PROCEEDS. (a) A credit access
10 business shall pay to the consumer the amount received by the
11 business from the sale of any property securing the extension of
12 consumer credit that exceeds the sum of the outstanding
13 indebtedness and unpaid fees owed by the consumer not later than the
14 14th day after the date of the sale.

15 (b) A credit access business that violates Subsection (a) is
16 liable to the state for a civil penalty of \$50 for each violation.
17 Each day a continuing violation occurs constitutes a separate
18 violation. The attorney general or the appropriate prosecuting
19 attorney in the county in which the violation occurs may bring an
20 action to recover the civil penalty imposed under this section.

21 (c) Section 393.501 does not apply to this section.

22 SECTION 2. The change in law made by this Act applies only
23 to a sale that occurs on or after the effective date of this Act. A
24 sale that occurred before the effective date of this Act is governed

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1 by the law in effect on the date the sale occurred, and the former
2 law is continued in effect for that purpose.

3 SECTION 3. This Act takes effect September 1, 2015.