



19 APR -1 AM 9:48  
HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. \_\_\_\_\_

BY: Bernal

1 Amend C.S.H.B. No. 1442 (house committee printing) as  
2 follows:

3 (1) On page 34, between lines 26 and 27, insert the  
4 following appropriately numbered SECTION and renumber the  
5 subsequent SECTIONS accordingly:

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

8 Sec. 393.308. ENSURING ABILITY TO REPAY EXTENSION OF  
9 CONSUMER CREDIT. (a) A credit services organization may not obtain  
10 for a consumer or assist a consumer in obtaining, including by  
11 providing advice, an extension of consumer credit unless the credit  
12 services organization finds, using independently verifiable  
13 documentation of income and obligations, that the consumer can  
14 reasonably:

15 (1) repay in cash, in accordance with the time and  
16 schedule of payments established by contract and applicable law,  
17 the extension of consumer credit and all associated fees and costs;  
18 and

19 (2) pay due payments on all known obligations of the  
20 consumer concurrently.

21 (b) The credit services organization must retain all  
22 documentation used under Subsection (a) to establish the ability of  
23 the consumer to repay an extension of consumer credit.

24 (2) On page 42, between lines 23 and 24, insert the  
25 following appropriately numbered SECTION and renumber the  
26 subsequent SECTIONS accordingly:

27 SECTION \_\_\_\_\_. Section 393.308, Finance Code, as added by  
28 this Act, applies only to an extension of consumer credit made on or  
29 after the effective date of this Act. An extension of consumer

1 credit made before the effective date of this Act is governed by the  
2 law in effect on the date the extension of consumer credit was made,  
3 and the former law is continued in effect for that purpose. For  
4 purposes of this section, a refinance or renewal of an extension of  
5 consumer credit is considered made on the date the extension of  
6 consumer credit being refinanced or renewed was made.