

1-1 By: Longoria, Murphy (Senate Sponsor - Creighton) H.B. No. 3855  
 1-2 (In the Senate - Received from the House May 8, 2019;  
 1-3 May 10, 2019, read first time and referred to Committee on Business  
 1-4 & Commerce; May 20, 2019, reported favorably by the following vote:  
 1-5 Yeas 9, Nays 0; May 20, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED  
 1-18 AN ACT

1-19 relating to methods of computing interest charges on certain  
 1-20 consumer loans.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 342.201, Finance Code, is amended by  
 1-23 adding Subsection (e-1) to read as follows:

1-24 (e-1) The interest charge under Subsection (e) must be  
 1-25 contracted for, charged, or received using the scheduled  
 1-26 installment earnings method or the true daily earnings method under  
 1-27 one of the following methods:

1-28 (1) applying the applicable daily rate to each part of  
 1-29 the unpaid principal balance corresponding to the brackets  
 1-30 described by Subsection (e) for the actual or scheduled number of  
 1-31 days during a payment period; or

1-32 (2) applying a single equivalent daily rate to the  
 1-33 unpaid principal balance for the actual or scheduled number of days  
 1-34 during a payment period, where the single equivalent daily rate is  
 1-35 determined at the inception of the loan using the scheduled  
 1-36 installment earnings method and would earn an amount of interest  
 1-37 authorized under Subsection (e) if the debt were paid to maturity  
 1-38 according to the schedule of payments.

1-39 SECTION 2. This Act takes effect September 1, 2019.

1-40 \* \* \* \* \*