A BILL TO BE ENTITLED
AN ACT
relating to increasing the maximum reference base amount for certain consumer loans.

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

SECTION 1. Section 342.251, Finance Code, is amended to read as follows:
Sec. 342.251. MAXIMUM CASH ADVANCE. The maximum cash advance of a loan made under this subchapter is an amount computed under Subchapter C, Chapter 341, using the reference base amount of $100, except that for loans that are subject to Section 342.259 the reference base amount is $300 [$200].

SECTION 2. Section 342.259(a), Finance Code, is amended to read as follows:
(a) Instead of the charges authorized by Sections 342.201 and 342.252, a loan made under this subchapter with a maximum cash advance computed under Subchapter C, Chapter 341, using a reference base amount that is more than $100 but not more than $300 [$200], may provide for:
(1) an acquisition charge that is not more than $10;
and
(2) an installment account handling charge that is not more than the ratio of $4 a month for each $100 of cash advance.

SECTION 3. The changes in law made by this Act apply only to a loan made on or after the effective date of this Act. A loan made
before the effective date of this Act is governed by the law in effect on the date the loan was made, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2019.