

By: Flynn

H.B. No. 4343

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

1 before the effective date of this Act is governed by the law in
2 effect on the date the loan was made, and the former law is
3 continued in effect for that purpose.

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