

By: Johnson

S.B. No. 482

A BILL TO BE ENTITLED

AN ACT

relating to the provision of certain notices in connection with certain consumer transactions.

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

SECTION 1. Subchapter C, Chapter 2, Business & Commerce Code, is amended by adding Section 2.329 to read as follows:

Sec. 2.329. HOLDER NOTICE REQUIREMENTS. (a) In connection with a sale or lease of goods or services to consumers in or affecting the activity of buying or selling, a seller may not take or receive a consumer credit contract, directly or indirectly, unless the contract contains the following provision, displayed in at least 10-point boldfaced type:

NOTICE

ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

(b) In connection with a sale or lease of goods or services to consumers in or affecting the activity of buying or selling, a seller may not accept, as full or partial payment for such sale or lease, the proceeds of any purchase money loan unless any consumer credit contract made in connection with the purchase money loan

1 contains the following provision, displayed in at least 10-point
2 boldfaced type:

3 NOTICE

4 ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT
5 TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD
6 ASSERT AGAINST THE SELLER OF GOODS OR SERVICES
7 OBTAINED WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER
8 BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE
9 DEBTOR HEREUNDER.

10 SECTION 2. This Act takes effect September 1, 2023.