

1-1 By: Lujan (Senate Sponsor - Menéndez) H.B. No. 4134
1-2 (In the Senate - Received from the House April 29, 2025;
1-3 April 30, 2025, read first time and referred to Committee on
1-4 Business & Commerce; May 26, 2025, reported favorably by the
1-5 following vote: Yeas 11, Nays 0; May 26, 2025, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	Schwertner	X		
1-9	King	X		
1-10	Blanco	X		
1-11	Campbell	X		
1-12	Creighton	X		
1-13	Johnson	X		
1-14	Kolkhorst	X		
1-15	Menéndez	X		
1-16	Middleton	X		
1-17	Nichols	X		
1-18	Zaffirini	X		

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to a convenience fee for processing electronic payments
1-22 for motor vehicles.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subchapter E, Chapter 348, Finance Code, is
1-25 amended by adding Section 348.416 to read as follows:

1-26 Sec. 348.416. CONVENIENCE FEE FOR PROCESSING ELECTRONIC
1-27 PAYMENTS AUTHORIZED. (a) In this section, "electronic payment"
1-28 means a payment made by credit card, debit card, electronic funds
1-29 transfer, electronic check, or other electronic method.

1-30 (b) A holder of a retail installment contract or the
1-31 holder's agent may collect a fee for processing a retail buyer's
1-32 electronic payment under the contract only if:

1-33 (1) the fee is reasonably related to the expense
1-34 incurred by the holder or holder's agent in processing the
1-35 electronic payment;

1-36 (2) the fee does not exceed the lesser of \$10 or five
1-37 percent of the amount of the payment; and

1-38 (3) the holder or holder's agent:

1-39 (A) allows the buyer to make a payment by a method
1-40 other than an electronic payment that does not incur a fee;

1-41 (B) does not establish electronic payment as the
1-42 expected form of payment; and

1-43 (C) informs the buyer of the following before the
1-44 buyer agrees to make an electronic payment:

1-45 (i) the amount of the fee to be charged
1-46 under this section;

1-47 (ii) that the buyer may make a payment by an
1-48 alternative method that does not incur a fee, including by check,
1-49 cash, or money order; and

1-50 (iii) that the holder or holder's agent may
1-51 not establish electronic payment as the expected form of payment.

1-52 SECTION 2. This Act takes effect September 1, 2025.

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