

By: Geren

H.B. No. 4738

A BILL TO BE ENTITLED

AN ACT

relating to the elimination of the portion of the Loan Administration Fee remitted to the comptroller.

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

SECTION 1. Section 342.201(f), Finance Code, is amended to read as follows:

(f) A loan contract under this subchapter may provide for an administrative fee in an amount not to exceed \$25 for a loan of more than \$1,000 or \$20 for a loan of \$1,000 or less. The administrative fee is considered earned when the loan is made or refinanced and is not subject to refund. An administrative fee is not interest. A lender refinancing the loan may not contract for or receive an administrative fee for the loan more than once in any 180-day period, except that if the loan has an interest charge authorized by Subsection (e) the lender may not contract for or receive the administrative fee more than once in any 365-day period. ~~[One dollar of each administrative fee may be deposited with the comptroller for use in carrying out the finance commission's responsibilities under Section 11.3055.]~~

SECTION 2. Section 342.308(c), Finance Code, is amended to read as follows:

(c) An administrative fee under Subsection (a)(9) is considered earned when the loan is made or refinanced and is not subject to refund. A lender refinancing the loan may not contract

1 for or receive an administrative fee for the loan more than once in  
2 any 180-day period. [~~Fifty cents of each administrative fee may be~~  
3 ~~deposited with the comptroller for use in carrying out the finance~~  
4 ~~commission's responsibilities under Section 11.3055.~~]

5 SECTION 3. The change in law made by this Act does not  
6 affect tax liability accruing before the effective date of this  
7 Act. That liability continues in effect as if this article had not  
8 been enacted, and the former law is continued in effect for the  
9 collection of taxes due and for civil and criminal enforcement of  
10 the liability for those taxes.

11 SECTION 4. EFFECTIVE DATE OF ARTICLE. Except as otherwise  
12 provided by this article, this article takes effect January 1,  
13 2026.