

By: Farias

H.B. No. 420

A BILL TO BE ENTITLED

AN ACT

relating to requiring that certain notices and disclosures provided by credit access businesses be in foreign languages.

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

SECTION 1. Section 393.222, Finance Code, is amended by adding Subsections (a-1) and (a-2) and amending Subsection (b) to read as follows:

(a-1) A credit access business shall post the notices and other disclosures required by Subsection (a) in English, Spanish, and any other language as determined necessary by the Finance Commission of Texas.

(a-2) The finance commission shall develop a notice in Spanish that translates the notice required by Subsection (a)(3). If the commission makes the determination to require a credit access business to post the disclosures under this section in a language other than English or Spanish, the commission shall develop a notice in that language that translates the notice required by Subsection (a)(3). The commission shall make a notice developed under this subsection available to credit access businesses.

(b) The finance commission shall adopt rules regarding the circumstances under which a credit access business must post a notice or other disclosures under this section in a language other than English or Spanish. The commission [~~Finance Commission of~~

1 ~~Texas~~] may adopt other rules to implement this section.

2 SECTION 2. Sections 393.223(a) and (c), Finance Code, are
3 amended to read as follows:

4 (a) Before performing services described by Section
5 393.221(1), a credit access business must provide to a consumer, in
6 English, Spanish, and any other language as determined necessary by
7 the Finance Commission of Texas, a disclosure adopted by rule of the
8 commission [~~Finance Commission of Texas~~] that discloses the
9 following in a form prescribed by the commission:

10 (1) the interest, fees, and annual percentage rates,
11 as applicable, to be charged on a deferred presentment transaction
12 or on a motor vehicle title loan, as applicable, in comparison to
13 interest, fees, and annual percentage rates to be charged on other
14 alternative forms of consumer debt;

15 (2) the amount of accumulated fees a consumer would
16 incur by renewing or refinancing a deferred presentment transaction
17 or motor vehicle title loan that remains outstanding for a period of
18 two weeks, one month, two months, and three months; and

19 (3) information regarding the typical pattern of
20 repayment of deferred presentment transactions and motor vehicle
21 title loans.

22 (c) The Finance Commission of Texas shall adopt rules to
23 implement this section, including rules regarding the
24 circumstances under which a credit access business must provide the
25 disclosure under this section in a language other than English or
26 Spanish.

27 SECTION 3. (a) A credit access business is not required to

1 post the notice required by Section 393.222(a)(3), Finance Code, in
2 a language other than English until the Finance Commission of Texas
3 develops and makes available to a credit access business the notice
4 translated into that language as required by Section 393.222(a-2),
5 Finance Code, as added by this Act.

6 (b) A credit access business is not required to provide the
7 disclosure required by Section 393.223(a), Finance Code, as amended
8 by this Act, in a language other than English until the Finance
9 Commission of Texas prescribes the disclosure form in that
10 language.

11 SECTION 4. This Act takes effect September 1, 2013.