



TEXAS CREDIT LETTER

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NOTICE OF RATE CEILINGS

The Consumer Credit Commissioner of Texas has ascertained the following rate ceilings by use of the formulas and methods described in Sections 303.003 and 303.009, TEX. FIN. CODE.

<u>Types of Rate Ceilings</u>	<u>Effective Period (Dates are Inclusive)</u>	<u>Consumer ⁽¹⁾/Agricultural/ Commercial ⁽²⁾ thru \$250,000</u>	<u>Commercial⁽²⁾ over \$250,000</u>
Weekly Rate - Sec. 303.003 and 303.009, TEX. FIN. CODE	03/19/01-03/25/01	18.00%	18.00%

⁽¹⁾Credit for personal, family or household use. ⁽²⁾Credit for business, commercial, investment or other similar purpose.

Issued in Austin, Texas this the 12th day of March 2001.

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NOTICE OF RATE BRACKET ADJUSTMENT

The Consumer Credit Commissioner of Texas has ascertained the following brackets and ceilings by use of the formula and method described in TEX. FIN. CODE §341.203.⁽¹⁾

The amounts of brackets in TEX. FIN. CODE §342.201(a) are changed to \$1,500.00 and \$12,500.00, respectively.

The ceiling amount in TEX. FIN. CODE § 342.251 is changed to \$500.00.

The amounts of the brackets in TEX. FIN. CODE §345.055 are changed to \$2,500.00 and \$5,000.00, respectively.

The amounts of the bracket in TEX. FIN. CODE §345.103 is changed to \$2,500.00.

The ceiling amount of TEX. FIN. CODE §371.158 is changed to \$12,500.00.

The amounts of the brackets in TEX. FIN. CODE §371.159 are changed to \$150.00, \$500.00, and \$1,500.00, respectively.

The above dollar amounts of the brackets and ceilings shall govern all applicable credit transactions and loans made on or after July 1, 2001, and extending through June 30, 2002.

⁽¹⁾Computation method: The Reference Base Index (the Index for December 1967) = 101.6. The December 2000 Index = 508.5. The percentage of change is 500.49%. This equates to an increase of 500% after disregarding the percentage of change in excess of multiples of 10%.

Issued in Austin, Texas, this the 13th day of March 2001.

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Report on Legislation

Status: 03/12/01 H=House S=Senate

HB 198--Averitt--Relating to the refund of certain consumer loan acquisition charges. Reported favorably from H-Financial Institutions 03/09/01

HB 1166--Denny--SAME AS SB 711--Relating to regulation of the business of selling checks, including electronic checks. Reported favorably from H-Financial Institutions 03/09/01

HB 1367--Solomons--SAME AS SB 433--Relating to the uniform law on secured transactions. Voted favorably from H-Business as amended 03/06/01

HB 1535--Davis, Yvonne--SAME AS SB 1042--Relating to an electronic motor vehicle lien system. Recommended for H-Local and Consent Calendar 03/12/01

HB 1665--Alexander--Relating to the duties and authority of the Motor Vehicle Board and to the regulation of the sale of motor vehicles. H-Transportation hearing set for 03/13/01

HB 2155--Averitt--Relating to the operation of state banks, state trust companies, and certain financial holding companies in the financial services industry. H-Financial Institutions hearing set for 03/12/01

HB 2465--Corte--Relating to a binding arbitration contract provision. Referred H-Business 03/06/01

HB 2478--Menendez--Relating to the regulation of deferred presentment transactions. Referred H-Financial Institutions 03/06/01

HB 2555--Eiland--Relating to the privacy of certain information provided by consumers to insurers and other related entities. Referred H-Insurance 03/07/01

HB 2569--Hochberg--Relating to the requirements of pawnbrokers concerning reporting information and handling property involved in a law enforcement

investigation. Referred H-Financial Institutions 03/07/01

HB 2657-Ehrhardt-Relating to the authorization of bonds by the Department of Housing and Community Affairs. Referred H-Urban Affairs 03/08/01

HB 2685-Bosse-Relating to prohibiting certain attorney's fees from being included in the costs of foreclosure of a property owners' association lien and establishing a right of redemption in relation to the foreclosure. Referred H-Business 03/08/01

HB 2714-Deshotel-Relating to a cash advance made or issued in connection with a credit card agreement. Referred H-Financial Institution 03/08/01

HB 2804-Kolkhorst-Relating to certain instruments recorded to create liens on property or to show satisfaction of a judgment. Referred H-Business 03/12/01

HB 2809-Wolens-SAME AS SB 1363-Relating to statutory revision and statutory construction. Referred H-State 03/12/01

HB 2834-Grusendorf-Relating to foreclosure of certain liens on real property. Referred H-Financial Institutions 03/12/01

HB 2876-Grusendorf-Relating to delinquency charges in connection with certain loans. Referred H-Financial Institutions 03/12/01

HB 2892-Burnam-Relating to examination by the Department of Insurance of the use of credit histories in certain underwriting guidelines. Referred H-Insurance 03/12/01

HB 2893-Burnam-Relating to certain unfair practices by motor vehicle insurers. Referred H-Insurance 03/12/01

HB 2928-Jones, Jesse-Relating to an interim committee to study debit card fraud on certain individuals. Referred H-Business 03/12/01

HB 2934-Thompson-Relating to a loan secured by a motor vehicle certificate of title. Referred H-Financial Institutions 03/12/01

HJR 5-Solomons-SAME AS SJR 29-Relating to prescribing requirements for imposing a lien for work and material used in the construction, repair, or renovation of improvements on residential homestead property. H-Business hearing set for 03/13/01

SB 272-Carona-SAME AS HB 690-Relating to an alternate maximum interest charge on a non-real property loan. S-Business hearing set for 03/13/01

SB 314-Sibley-SAME AS HB 1502-Relating to the continuation of the Department of Banking and the regulation of certain financial institutions and businesses. Referred S-Business 03/08/01

SB 315-Sibley-SAME AS HB 1636-Relating to the continuation and functions of the Savings and Loan Department and the regulation of certain financial institutions and businesses. Referred S-Business 03/08/01

SB 316-Sibley-SAME AS HB 1763-Relating to the continuation and functions of the Finance Commission and the regulation of certain financial institutions and businesses. Referred S-Business 03/08/01

SB 317-Sibley-SAME AS HB 1816-Relating to the continuation and functions of the Office of Consumer Credit Commissioner and the regulation of certain financial businesses. Referred S-Business 03/08/01

SB 414-Madla-SAME AS HB 1163-Relating to the regulation of certain insurance agents and to the consolidation of insurance agent licenses. Voted favorably from H-Insurance 03/12/01

SB 433-Carona-Relating to the uniform law on secured transactions. Referred H-Business 03/07/01

SB 565-Armbrister-SAME AS HB 1385-Relating to security for public securities issued by governmental entities. Referred H-Financial Institutions 03/08/01

SB 626-Duncan-SAME AS HB 1522-Relating to liens on certain property related to certain criminal offenses and the effect of forfeiture of that property. Voted favorably from S-Jurisprudence as substituted 03/12/01

SB 707-Carona-Relating to collateral protection insurance-S-Business hearing set for 03/13/01

SB 711-Carona-SAME AS HB 1166-Relating to regulation of the business of selling checks, including electronic checks. S-Business hearing set for 03/13/01

SB 1042-Ellis-SAME AS HB 1535-Relating to an electronic motor vehicle lien system. Referred S-State Affairs 03/05/01

SB 1075-Carona-Relating to retail installment contracts. Referred to S-Business 03/06/01

SB 1076-Carona-Relating to certain finance charges. Referred S-Business 03/06/01

SB 1229-Carona-Relating to the credit life and accident and health insurance. Referred S-Business 03/12/01

SB 1306-Harris-Relating to the use of pre-existing surveys by title insurance agents and companies. Referred S-Business 03/12/01

To inquire as to the status of a bill, call (512) 463-2182 or toll-free (877) 824-7038 or check Texas Legislature ONLINE at www.capitol.state.tx.us. Copies of legislation may be acquired by calling (512) 463-1144 for the House and (512) 463-0252 for the Senate.