A BILL TO BE ENTITLED

AN ACT

relating to the authority of a municipality to regulate fees charged in connection with certain loans.

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

SECTION 1. Subchapter A, Chapter 215, Local Government Code, is amended by adding Section 215.005 to read as follows:

Sec. 215.005. REGULATION OF CERTAIN LOANS. (a) In this section, "deferred presentment transaction" and "motor vehicle title loan" have the meanings assigned by Section 393.601, Finance Code.

(b) A municipality may by ordinance regulate the fees that may be charged to a borrower in connection with making, facilitating, or obtaining a deferred presentment transaction or motor vehicle title loan.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.