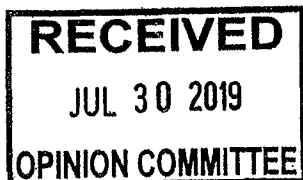


JIM MURPHY
Member
HOUSE OF REPRESENTATIVES
District 133 • Harris County



COMMITTEES
Pensions, Investments and Financial Services, *Chairman*
Ways & Means



7/30/19

Sent via Email

Office of the Attorney General
Attention: Opinion Committee
opinion.committee@oag.texas.gov

RQ-0300-KP
FILE # ML-48590-19
I.D. # 48590

Re: Request for Attorney General Opinion

Dear Attorney General Paxton:

Pursuant to Texas Government Code Section 402.042, I request your opinion as to the following questions:

1. Does Chapter 393 authorize a credit services organization, as defined in Section 393.001(3) of the Texas Finance Code, to assist a consumer with obtaining an extension of consumer credit in a form other than a deferred presentment transaction or motor vehicle title loan (each as defined in Section 341.001 of the Texas Finance Code)?
2. If so, does Chapter 393 allow a credit services organization to assist a consumer with obtaining an extension of consumer credit in the form of a "signature loan," whereby no security is obtained from the consumer in exchange for the extension of consumer credit or cash advance (including, without limitation, a motor vehicle title) and no personal check or authorization to debit a deposit account is obtained from the consumer in exchange for the extension of consumer credit or cash advance?

Credit access business is defined in Section 393.221, Finance Code, as "a credit services organization that obtains for a consumer or assists a consumer in obtaining an extension of consumer credit in the form of a deferred presentment transaction or a motor vehicle title loan." This definition is separate from that of a credit service organization, defined in Section 393.001(3) of the Texas Finance Code. There is some disagreement around the interpretation of this statute and whether credit service organizations are limited to offering, as an extension of consumer credit, only the products enumerated in Section 393.221.

I appreciate your time and attention to this matter. Due to the nature of this request and the impact that your opinion may have on consumer options, I ask that you expedite your response to the degree that you are able to do so. Please contact me should you need further information.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Murphy". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Jim Murphy
Chairman
House Committee on Pensions, Investments, and Financial Services