The State of Texas
House of Representatives

FILE # ML-48146-17
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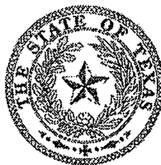
OPINION COMMITTEE



Dan Flynn
State Representative • District 2

Representing
Hunt, Hopkins, and
Van Zandt Counties

RQ-0162-KP

May 3, 2017

Office of the Attorney General
Attention: Opinion Committee
P.O. Box 12548
Austin, Texas 78711-2548

Email: opinion.committee@oag.texas.gov

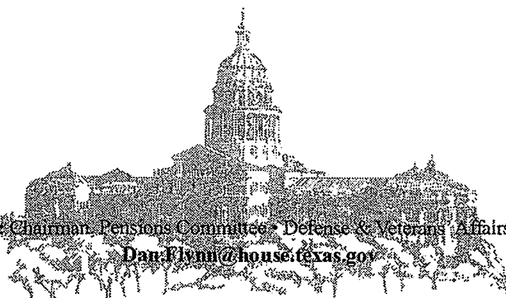
Re: Scope of Section 393.201 of the Texas Finance Code

Dear General Paxton:

By this letter I ask that you exercise your statutory authority and issue an opinion that clarifies and confirms the scope of Section 393.201 of the Texas Finance Code, which deals with a 180-day limit for credit access businesses ("CABs") and credit service organizations ("CSOs") performing their promises *to obtain* loans, consistent with the original intent of the Texas Legislature and consistent with prior interpretations given this provision by the former general counsel for the Office of Consumer Credit Counsel ("OCCC") and the Office of the Attorney General.

Presently, the cloud created by uncertainty regarding the scope of Section 393.201 has held up the industry in its reasonable desire to shift away from short-term payday transactions to longer-term installment transactions. Some of the perceived benefits of the longer-term installment transactions are that (a) the consumer's periodic payments can be smaller, (b) the loan can fully amortize principal and interest so there are no balloon payments, and (c) lower rates can be offered. Conversely, reading the statute to restrict letters of credit and guaranties of payment to 180 days would reduce attractive credit options for consumers.

I personally recognize the cost of this regrettable confusion given my background as a legislator, banker, and bank regulator. Your assistance is clarifying this matter would be very helpful.



Committees: Chairman, Pensions Committee • Defense & Veterans' Affairs Committee
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The key question is this: Does Section 393.201 mean that a third-party loan and all related security and servicing by the CAB or CSO must be complete within 180 days or does it mean correctly that only the promises *to obtain the loan* must be performed within 180 days. The narrower interpretation, of course, would incorrectly mean that loans over 180 days cannot be made under Chapter 393, which runs directly counter to Chapter 393's lack of any restriction on the length of the loan arranged by the CAB or CSO. In fact, a Tex. Att'y Gen. Advisory Letter to Commissioner Leslie Pettijohn (Barry R. McBee, January 12, 2006) recognizes that Chapter 393 can apply to lengthy loans such as mortgage loans.

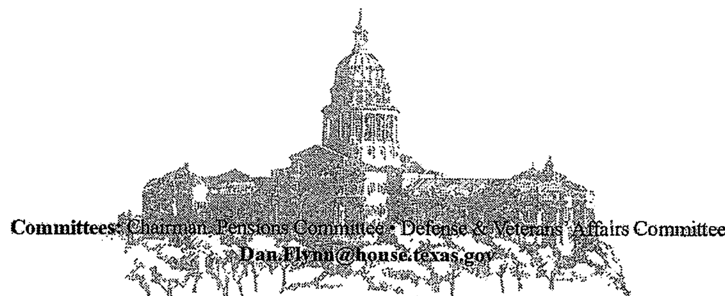
The legal analysis to support this request is set forth in an attached brief.

I ask that you issue an opinion consistent with your authority under the Texas Government Code and interpret Section 393.201 of the Texas Finance Code to find:

- The issuance of a letter of credit or guaranty of payment by a CSO/CAB is complete and fulfilled upon its issuance for purposes of the 180-day restriction in Chapter 393 and not when there might be a subsequent demand for payment under the letter of credit or guaranty of payment; and

- The 180-day restriction in Chapter 393 does not apply to a bill payment service offered by a CSO/CAB after 180 days when (a) the CSO/CAB does not offer these services under Chapter 393 as part of the credit services contract, (b) the consumer has different options to pay the lender and the bill pay service is optional, and (c) the bill pay service is a separate, optional service authorized for Chapter 151 money service licensees or their authorized agents.

With respect to letters of credit or guaranties, it would make no sense to interpret Chapter 393 to mean that it is permissible to have an extension of credit of any length, but that a letter of credit or guaranty of payment of that extension of credit must be limited to 180 days. The illogic is resolved by recognizing the distinction between the issuance of a letter of credit or guaranty of payment and the subsequent honoring of the letter of credit or guaranty of payment.



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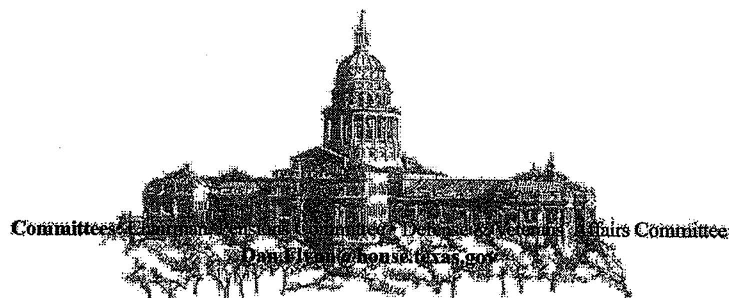
With respect to the bill-pay question, there is no reason that a CSO/CAB cannot have multiple lines of business operating out of the same location, including offering both Chapter 393 credit services and Chapter 151 bill payments services.

My office and I stand ready to assist you in any way.

Sincerely,

Dan Flynn, State Representative HD-2



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May 3, 2017

Office of the Attorney General
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Email: opinion.committee@oag.texas.gov

Submitted by:
Dan Flynn, State Representative HD-2, P.O. Box 2910, Austin, TX 78768

BRIEF IN SUPPORT OF REQUEST FOR OPINION OF THE ATTORNEY GENERAL REGARDING SECTION 393.201 OF THE TEXAS FINANCE CODE

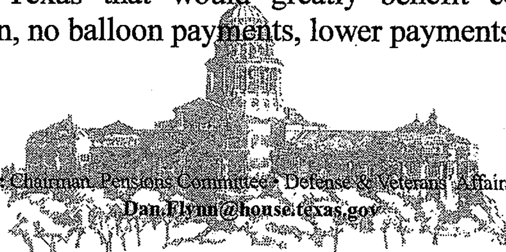
Under the Section 393.201 of the Texas Finance Code, which is part of the Texas Credit Service Organization Act ("CSOA") enacted in 1987, a question has arisen whether certain services or activities by a credit service organization ("CSO") or credit access business ("CAB"), together called a "CSO/CAB," violate Section 392.201, which specifies that certain services must be performed within 180 days.

Section 393.201(b)(2), which deals with the "form and terms of the contract" between the CSO/CAB and the consumer, provides:

> [T]he contract must … fully describe the services the organization is to perform for the consumer, including each guarantee and each promise of a full or partial refund and the estimated period for performing the services, not to exceed 180 days ….

Tex. Fin. Code § 393.201(b)(2).

Although the legal case supporting these services appears clear, as confirmed by the prior General Counsel of the Office of the Consumer Credit Commissioner (("OCCC"), certain questions regarding this section persist and are stymying the industry from being able to offer longer-term transaction in Texas that would greatly benefit consumers with longer-term transactions, full amortization, no balloon payments, lower payments, and hoped-for lower rates.



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A. Questions Presented

I ask that you issue an opinion consistent with your authority under the Texas Government Code and interpret Section 393.201 of the Texas Finance Code to find:

1) The issuance of a letter of credit or guaranty of payment by a CSO/CAB is complete and fulfilled upon its issuance for purposes of the 180-day restriction in Chapter 393 and not when there might be a subsequent demand for payment under the letter of credit or guaranty of payment; and

2) The 180-day restriction in Chapter 393 does not apply to a bill payment service offered by a CSO/CAB after 180 days when (a) the CSO/CAB does not offer these services under Chapter 393 as part of the credit services contract, (b) the consumer has different options to pay the lender and the bill pay service is optional, and (c) the bill pay service is a separate, optional service authorized for Chapter 151 money service licensees or their authorized agents.

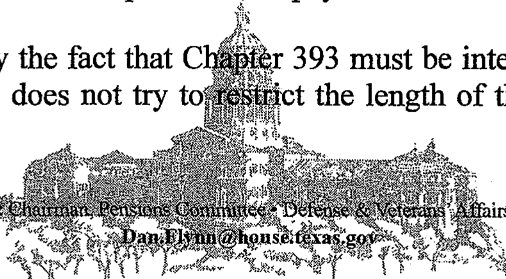
B. Synopsis

The answers to these questions are hopefully straightforward.

With respect to the letter-of-credit or guaranty-of-payment question, it is only logical that a CSO/CAB's promise to issue a letter of credit or guaranty of payment so the consumer may *obtain* a third-party loan is *completed and fulfilled* under Chapter 393 when the letter of credit or guaranty of payment is *issued*. In contrast, the subsequent honoring of a demand under the letter of credit or guaranty of payment, which might never occur, is in favor of the lender, not the consumer.

With respect to the bill-pay question, there is no reason that a CSO/CAB cannot have multiple lines of business operating out of the same location, which is commonplace. This can include offering both Chapter 393 credit services and Chapter 151 bill-payments service. The Chapter 393 credit services are subject to being listed and described in the credit services agreement and can easily be distinguished from other lines of services being provided on an optional basis in a non-Chapter 393 capacity, such as Chapter 151 bill-pay services.

This analysis is buttressed by the fact that Chapter 393 must be interpreted using a presumption of legality, that Chapter 393 does not try to restrict the length of the third-party loan, and that



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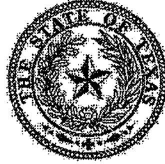

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letters of credit and guaranties of payment are separate from the underlying transaction that they secure. Under the presumption of legality, any doubt must be resolved in favor of the less restrictive interpretation.

In 2014, the General Counsel of the OCCC, Sealy Hutchings, provided industry his opinion for the OCCC that the issuance of a letter of credit or guaranty of payment is completed when issued and does not violate Chapter 393 even if the performance due to a default by the consumer occurs later. He also confirmed that a Chapter 151 bill-payment service is permissible. Mr. Hutchings recently confirmed his opinion on the letter-of-credit and guaranty-of-payment question as follows:

> Shortly before I left the employment of the OCCC, I engaged in a telephone conversation with [Scott Sheehan] regarding Chapter 393, the 180 day limitation, and issuance of the letter of credit by the credit access business. In this conversation, I expressed my opinion that the issuance of the letter of credit, not the performance on the letter of credit, must occur within the 180 day period required by Chapter 393.[1]

More recently, the OCCC has declined to acknowledge the position that Mr. Hutchings, the agency's long-tenured General Counsel, provided to industry in 2014. Instead the OCCC suggests that a letter of credit or guaranty of payment for a loan over 180 days might violate the statute. Likewise, the OCCC suggests a bill payment option might be objectionable. These suggestions are not addressed in any current rulemaking or published OCCC interpretation, guidance or advisory, and are not entitled to deference.

Regrettably, the cloud created by this uncertainty has held up the industry in its reasonable desire to shift away from short-term payday transactions to longer-term installment transactions. Some of the perceived benefits of the longer-term installment transactions are that (a) the consumer's periodic payments can be smaller, (b) the loan can fully amortize principal and interest so there are no balloon payments, and (c) lower rates can be offered. Conversely, reading the statute to restrict letters of credit and guaranties of payment would reduce attractive credit options for consumers.

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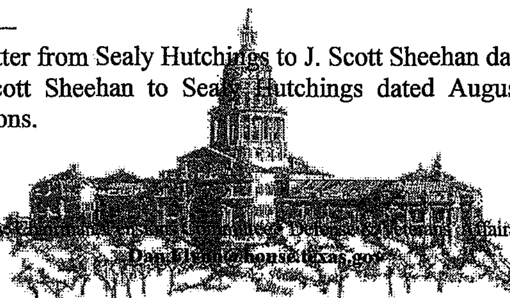
[1] Attachment A is confirmatory letter from Sealy Hutchings to J. Scott Sheehan dated February 6, 2017. Attachment B is the original email from Scott Sheehan to Sealy Hutchings dated August 25, 2014 that confirmed their discussions regarding these questions.



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C. <u>Background of the CSO/CAB Model</u>

Under Chapter 393, CSO/CABs obtain credit for a consumer from an independent third-party lender in the form of a deferred presentment transaction or a motor vehicle title loan. The Chapter 302 third-party lender is not licensed whereas the Chapter 393 CSO/CAB is registered or licensed under Chapter 393.

The CSO/CAB arranges for the third-party loan and guarantees repayment of the loan by issuing a standby letter of credit or guaranty of payment. CSO/CABs charge a fee to the consumer for obtaining the third-party loan, which is usually calculated as a percentage of the loan amount. Chapter 393 allows the CSO/CAB to use any fee agreed upon the parties[2] while the third-party lender is limited to interest of 10% per annum and a late charge under Chapter 302, and a dishonored item fee under Tex. Bus. & Comm. Code § 3.506.

The CSO/CAB legal model was pioneered in Texas starting in about 2001 and led to the early test case of *Lovick v. Ritemoney, Ltd.*, 378 F.3d 433 (5th Cir. 2004). In that case, United States Court of Appeals for the 5th Circuit's upheld the legality of the model where a CSO complies with Chapter 393 of the Texas Finance Code and an independent third-party lender operates with interest at 10% per annum under Chapter 302 of the Texas Finance Code. *Id.* at 442-44.

The CSO model was not widely used in Texas until about July of 2005 when various payday lenders operating in Texas looked for an alternative legal model after the Federal Deposit Insurance Corporation issued unfavorable guidelines for the bank-agent model of making direct payday loans.

Since 2007, the CSOA has been considered in almost every session of the Legislature. Without the exception of two bills in 2011, there have been no bills passed with respect to the CSOA. The two bills in 2011 enacted a licensing requirement for "credit access businesses" as a subset of credit services organization, and expressly confirmed that a CSOA/CAB may charge any fee agreed upon by the parties.[3]

[2] Tex. Fin. Code § 393.602(b).

[3] The Legislature in 2011 passed two bills. Acts 2011, 82 Leg., ch. 1301 (House Bill 2592); and Acts 2011, 82 Leg., ch. 1302 (House Bill 2594). These bills created a new category of credit services organization that the statute calls "credit access businesses," established licensing for credit access businesses, but confirmed that the CSO/CAB may charge any fee agreed upon by the parties. A companion bill (House Bill 2593) did not pass. The Legislature has not passed a bill to restrict the maturity of the third-party loan.

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The Legislature in 2011 rejected a bill, House Bill 2593, that would have set a maximum number of payments or refinancings.

The Legislature in 2013 rejected a bill, House Bill 1247, that would have directly changed Section 393.201 to preclude letters of credit or guaranties with terms over 180 days by redefining "services,"[4] providing that the covered services would include services that the CSO/CAB performs "for the consumer or on behalf of a third party," and providing that the covered services must be *completed* within 180 days [5] Comparing the proposed bill to the existing statute demonstrates that the existing statute cannot be read to mean that a letter of credit or guaranty of payment must be issued *and honored* within 180 days.

Given Chapter 393 in its entirety and the lack of any amendments by the Legislature, it is clear that the 180-day restriction in Chapter 393 only applies to the time frame for *obtaining* a loan and does not apply to a CSO/CAB's subsequent *honoring* of a letter of credit or guaranty of payment to the lender.

Generally, the CSO/CAB legal model is premised upon the following characteristics: (1) the CSO/CAB and the third-party lender are unaffiliated, with no common ownership, directors, officers or employees; (2) the CSO/CAB must maintain all necessary registrations, licensing, bonds, disclosure statements, contract terms and procedures required for a CSO/CAB under Chapter 393 of the Texas Finance Code; (3) all loans by the lender must be approved based upon criteria established by the lender; (4) the lender's loan documents must conform to the interest-rate limitations of Chapter 302 of the Texas Finance Code; (5) the lender may not share directly or indirectly in the CSO/CAB fees or other charges imposed by the CSO/CAB; (6) the CSO/CAB is not authorized to act as the lender's general agent; and (7) the CSO may act solely

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[4] House Bill 1247 (2013) would have changed "services" to mean:

(11) "Service" means an act, conduct, or activity that is performed or to be performed for a consumer's benefit or that involves assisting a consumer in obtaining an extension of consumer credit, including:

(A) negotiating or closing a loan or other extension of consumer credit;
(B) issuing a guaranty, letter of credit, or other credit enhancement; and
(C) servicing an extension of consumer credit.

[5] House Bill 1247 (2013) would have changed Section 393.201 to provide:

(2) [the credit services contract must] fully describe the services the organization <u>shall</u> [~~is to~~] perform for the consumer <u>or on behalf of a third party</u>, including each guarantee and each promise of a full or partial refund and the estimated period for performing <u>and completing</u> all of the services, not to exceed 180 days <u>or the period permitted under an extended payment plan authorized by Subchapter G</u>....

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as a special limited agent of the lender as to specific matters expressly approved in writing by the lender. *Lovick v. Ritemoney*, 378 F.3d at 442.

D. Attorney General 2006 Advisory Letter

On January 12, 2006, the Texas Attorney General's office issued an advisory letter (the "AG Advisory Letter") regarding the CSO/CAB model that was addressed to Consumer Credit Commissioner Leslie Pettijohn. The AG Advisory Letter recognizes that the CSOA covers both short-term and longer-term loans like mortgage loans. It states:

> Although the legislature designed the statutes to provide for CSOs to assist in obtaining mortgage financing for consumers, the plain language of the law does not limit its use to only mortgage finance transactions.[6]

The concept that the CSOA allows longer-term extensions of credit, including mortgage loans, establishes a fundamental flaw in any analysis that suggests that letters of credit and guaranties of payment must be honored within 180 days.

E. Scope of Issues

There is a broader concept that the 180-day restriction in Section 293.201 only means that a CSO/CAB, whose defining purpose is to "obtain" an extension of credit,[7] must "obtain" the extension of credit within 180 days so that the consumer is not continuing to wait, not that other possible services must be completed within 180 days, including servicing This makes sense because the statute does not limit to length of the extension of credit and a consumer is not impacted by or concerned about the length of any on-going services provided the consumer has *obtained* the third-party loan arranged by the CSO/CAB within 180 days as promised.

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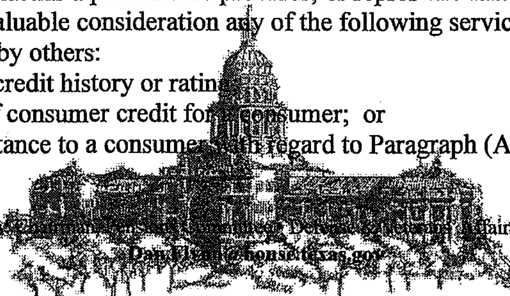
6 Attachment C is the Tex. Att'y Gen. Advisory Letter to Commissioner Leslie Pettijohn (Barry R. McBee, January 12, 2006).

7 Tex. Fin. Code § 393.001(3) provides:
Credit services organization" means a person who provides, or represents that the person can or will provide, for the payment of valuable consideration any of the following services with respect to the extension of consumer credit by others:
(A) improving a consumer's credit history or rating;
(B) obtaining an extension of consumer credit for a consumer; or
(C) providing advice or assistance to a consumer with regard to Paragraph (A) or (B).



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For purposes of this request, however, it is not necessary to resolve the broader concept. This is true because the 180-day restriction would nonetheless not apply to the subsequent *honoring* of a letter of credit or guaranty of payment, nor would it apply to separate, non-Chapter 393, bill-payment services offered under Chapter 151.

F. <u>Factual Assumptions</u>

Please use the following factual assumptions for purposes of this request:

1. The CSO/CAB would solely arrange a third party loan, including issuing an irrevocable letter of credit or guaranty of payment to secure that loan. This means that all of the CSO/CAB's services are completed on the day the loan is made. Obtaining the loan is the only service listed in the credit services contract. There would be no services related to improving a consumer's credit history or rating.

2. The CSO/CAB would not service the loan past 180 days.[8]

3. The maturity of the loans would exceed 180 days.

4. The letter of credit and guaranty of payment are irrevocable.

5. The letter of credit would be a standby letter of credit. The lender would have no obligation to take action against the consumer before demanding under the letter of credit. The CAB/CSO is primarily liable and waivers any conditions precedent.

6. The guaranty of payment would be an unconditional and absolute guaranty of payment. The lender would have no obligation to take action against the consumer before demanding under the guaranty. The CAB/CSO is primarily liable and waivers any conditions precedent.

7. The consumer would have no obligation to find a new issuer in the event that the CSO/CAB became insolvent.

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[8] One approach is for the CSO/CAB to service the loan for 180 days and then have servicing taken over by the lender. A second approach would for the lender to service the loan from inception. Either approach should be acceptable.

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8. To further confirm the concept that the CSO/CAB's issuance of a guaranty of payment or letter of credit completes and fulfills the CSO/CAB's promised performance to the consumer, the contract documents would include the following provisions:

<u>The CSO Disclosure Statement provides</u>:

Our credit services will be completed and fulfilled on the date the loan is made or denied. This includes our promise to attempt to arrange an extension of credit for you from a third party lender, including issuing a letter of credit on your behalf. While you remain responsible for repayment of the loan, you are not responsible for providing a replacement letter of credit in the event that we become insolvent or do not otherwise perform under the letter of credit.

<u>The Federal Truth-Lending Disclosures and Promissory Note provides</u>:

Completion of CSO/CAB Services. You and I confirm that the CAB's services to me are completed and fulfilled on the date the loan is made. This includes the CAB's promise to attempt to arrange an extension of credit to you from a third party loan, including the issuance of a letter of credit on my behalf. While I remain responsible for repayment of the loan, I am not responsible to provide a replacement letter of credit in the event that the CAB becomes insolvent or does not otherwise perform under the letter of credit.

<u>The Credit Services Agreement provides as follows</u>:

Our services to you will be complete on the day your loan is funded.

Completion of CSO/CAB Services. You and we confirm that our services to you are completed and fulfilled on the date the loan is made or the date you are denied for the loan. This includes our promise to attempt to arrange an extension of credit for you from a third party lender, including the issuance of a letter of credit on your behalf. While you remain responsible for repayment of the loan, you are not responsible to provide a replacement letter of credit in the event that we become insolvent or do not otherwise perform under the letter of credit.

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9. The lender does not charge the customer for accepting a payment via bill payment. The lender absorbs the cost through its contract with the bill pay company. The CSO/CAB separately acting as a bill-pay service may charge an appropriate fee under Chapter 151.

10. The optional Chapter 151 bill pay service would be separate and distinct from the limited services that the CAB is providing under its credit services agreement to arrange a third party loan, including issuing an irrevocable letter of credit or guaranty of payment to secure that loan. All of the CSO/CAB's Chapter 393 services are completed and fulfilled on the day the loan is made.

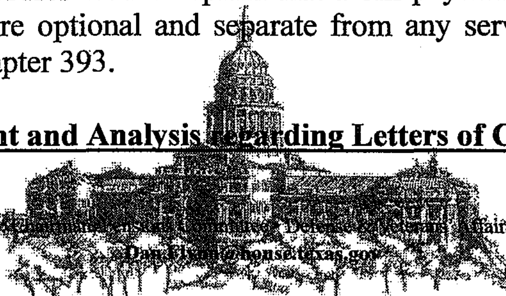
11. A consumer would have several options for making loan payments. The consumer can elect to pay by having the lender ACH the consumer's account or by mailing payment to the lender. The consumer on an optional basis could also use several bill payment services, including the CSO/CAB as a Chapter 151 licensee or agent. ACH means the automated clearinghouse.

12. The contract documents would provide several payment options:

> **Promise to Pay.** I promise to pay you, or to your order, at Lender's address shown above or such other place as you notify me in writing, the Principal Amount, plus interest at the rate of 9.95% per year until paid in full. I also agree to pay all other charges provided under this Note. I agree to make scheduled payments to you by one of the following methods: (a) using a third party billing system that provides payment to you by the due date of such payment; (b) via automated clearing house debit entry ("ACH") to my bank account; (c) via orders payable on demand from my bank account; or (d) by mailing to you a check to be received by you by the due date at ________________________.

13. The contract documents would disclose the different options that a consumer has to make payments to the lender and would list the CSO/CAB as one of several options that are available. The disclosures would explain that a bill payment services by the CSO/CAB under Chapter 151 are optional and separate from any services being provided by the CSO/CAB under Chapter 393.

G. <u>Additional Argument and Analysis regarding Letters of Credit and Guarantees</u>



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1. *Presumption of legality*

A threshold consideration is that Chapter 393 is penal in nature[9], and subject to the rule that all matters of interpretation should be resolved in favor of compliance. [10] Against this standard, the CSOA cannot be interpreted to place restriction on the duration of extensions of credit or letters of credit or guarantees. Any doubt must be resolved in favor of the less restrictive interpretation,

2. *The CSOA does not restrict the maturity or terms of extensions of credit*

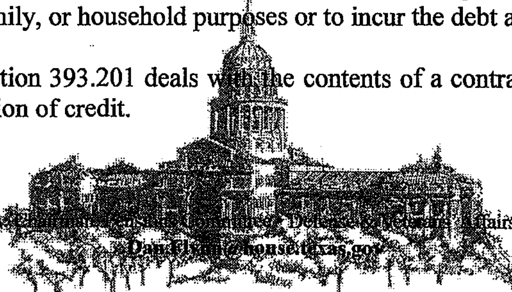
As recognized in the AG Advisory Letter and the Legislature's 2011 rejection of House Bill 2593, the simple fact remains that there is nothing in Chapter 393 that purports to limit the duration of the extension of credit that is arranged by a CSO/CAB, *see, e.g.*, Tex. Fin. Code § 393.001(4),[11] and § 393.201,[12] including the sections dealing with "prohibitions and restrictions," §§ 393.301 - 307. Instead Chapter 393 shows that a CSO/CAB is permitted to *arrange* a loan of

[9] Tex. Fin. Code § 393.501: CRIMINAL PENALTY. (a) A person commits an offense if the person violates this chapter. (b) An offense under this chapter is a Class B misdemeanor. *Lovick v. Ritemoney, Ltd.*, 378 F.3d 433, 443 (5th Cir. 2004).

[10] *Hight v. Jim Bass Ford, Inc.*, 552 S.W.2d 490, 491 (Tex. Civ. App.—Austin 1977, writ ref'd n.r.e.)("Statutes imposing penalties are strictly construed, and one who seeks to recover a penalty must bring himself clearly within the terms of the statute.... Any doubt as to the intention of the Legislature to punish the conduct of the party should be resolved in favor of the defendant."). This was recognized with respect to Chapter 393 by *Lovick v. Ritemoney, Ltd.*, 378 F.3d 433, 443 (5th Cir. 2004). This principle of strict construction is a guiding principle in numerous cases under the Texas Finance Code. The Texas Supreme Court has refused to allow standing to sue for penalties to persons other than those expressly authorized (i.e., obligors). *See, e.g., Houston Sash & Door Co. v. Heaner*, 577 S.W.2d 217. 222 (Tex. 1979). It has refused to find usury in pleadings partly because the Legislature has shown no intent to regulate pleadings. *George A. Fuller Co. of Texas, Inc. v. Carpet Services, Inc.*, 823 S.W.2d 603, 604 (Tex. 1992). It has refused to allow prejudgment interest on usury penalties because the statute does not purport to do so (and could have if the Legislature so wanted). *Steves Sash & Door Co. v. Ceco Corp.*, 751 S.W.2d 473. 476-77 (Tex. 1988). It has refused to impose penalties for trifling violations. *Yates Ford, Inc. v. Ramirez*, 692 S.W.2d 51, 54-55 (Tex. 1985). It has refused to impose penalties when the obligor engaged in illegal conduct. *General Electric Credit Corp. v. Smail*, 584 S.W.2d 690 (Tex. 1979).

[11] Tex. Fin. Code § 393.001(4): "Extension of consumer credit" means the right to defer payment of debt offered or granted primarily for personal, family, or household purposes or to incur the debt and defer its payment.

[12] Tex. Fin. Code § 393.201. Section 393.201 deals with the contents of a contract for credit services. It nowhere restricts the duration of the extension of credit.



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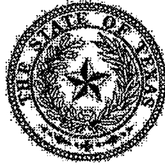

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any maturity (e.g., a loan for 18 months, 36 months or even a 30-year mortgage), provided it has been obtained within 180 days.

It would make no sense to interpret Chapter 393 to mean that it is permissible to have an extension of credit of any length, but that a letter of credit or guaranty of payment of that extension of credit must be limited to 180 days. The illogic is resolved by recognizing the distinction between the *issuance* of a letter of credit or guaranty of payment and the *subsequent honoring* of the letter of credit or guaranty of payment.

3. *The CSOA promotes flexibility*

The Legislature intended Chapter 393 to be a flexible statute. Among other bases, this is demonstrated by Section 393.602(b), which allows a CSO/CAB to assess any fees agreed upon by the parties.[13]

4. *The CSOA must be construed in its entirety*

The CSOA must be construed in its entirety.[14]

The CSOA was enacted in 1987,[15] and the 180 day provision was added in 1989.[16] The amendment in 1989 demonstrates a purpose to place a 180 day restriction on the *obtaining* of a loan. The clear focus of the law was eliminating possible abuses regarding guaranteeing to erase bad credit and guaranteeing an extension of credit regardless of previous credit problems unless disclosing eligibility requirements. The specific language reads as follows:

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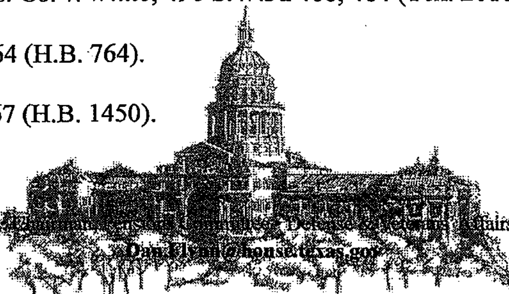
[13] Tex. Fin. Code § 393.602(b): "A credit access business may assess fees for its services as agreed to between the parties. A credit access business fee may be calculated daily, biweekly, monthly, or on another periodic basis. A credit access business is permitted to charge amounts allowed by other laws, as applicable. A fee may not be charged unless it is disclosed." Chapter 393 further provides that neither the Finance Commission nor the OCCC may establish limits on fees. Tex. Fin. Code § 393.622(c).

[14] *E.g., Philadelphia Indemnity Ins. Co. v. White*, 490 S.W.3d 468, 484 (Tex. 2016).

[15] Acts 1987, 70th Tex. Leg., ch. 764 (H.B. 764).

[16] Acts 1989, 71st Tex. Leg., ch. 767 (H.B. 1450).



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> (A) guaranteeing to "erase bad credit" or words to that effect unless the representation clearly discloses this can be done only if the credit history is inaccurate or obsolete; and
>
> (B) guaranteeing an extension of consumer credit regardless of the person's credit history unless the representation clearly discloses the eligibility requirements for obtaining the extension. [17]

These concerns relate to guaranties about *obtaining* a loan, not to the timing of a subsequent *honoring* of a letter of credit or guaranty of payment.

Chapter 393 lists three services that are covered by the statute. These include: (A) improving a consumer's credit history or rating; (B) obtaining an extension of consumer credit for a consumer; or (C) providing advice or assistance to the consumer with regard to (A) or (B).[18] These services focus upon when the extension of credit is *obtained, not the duration of the extension of credit.*

In the context of the entire Chapter 393, it makes no sense to limit use of letters of credit or guaranties or to say that the 180-day language could mean anything more that the CSO/CAB's "obtaining" a third-party loan must be accomplished within 180 days. This means that the CSO/CAB must perform it promise to *obtain* the loan within 180 days to avoid false promises

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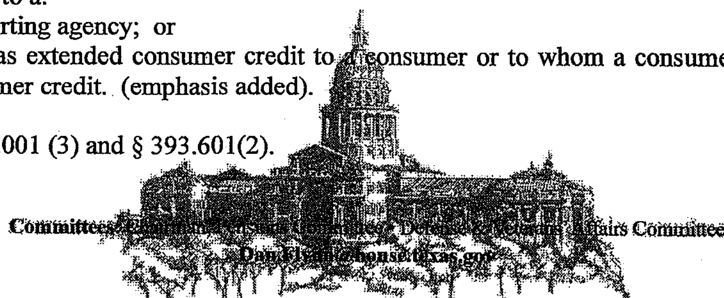
[17] Tex. Fin. Code §393.304 . The parts dealing with guaranties read:

> FALSE OR MISLEADING REPRESENTATION OR STATEMENT. A credit services organization or a representative of the organization may not:
> (1) make or use a false or misleading representation in the offer or sale of the services of the organization, including:
> (A) *guaranteeing to "erase bad credit"* or words to that effect unless the representation clearly discloses this can be done only if the credit history is inaccurate or obsolete; and
> (B) *guaranteeing an extension of consumer credit regardless of the person's credit history unless the representation clearly discloses the eligibility requirements for obtaining the extension*; or
> (2) make, or advise a consumer to make, a statement relating to a consumer's credit worthiness, credit standing, or credit capacity that the person knows, or should know by the exercise of reasonable care, to be false or misleading to a:
> (A) consumer reporting agency; or
> (B) person who has extended consumer credit to a consumer or to whom a consumer is applying for an extension of consumer credit. (emphasis added).

[18] Tex. Fin. Code § 393.001 (3) and § 393.601(2).



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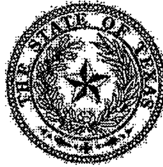

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and to assure that the consumer does not have to wait an indefinite amount of time. These policies, however, have nothing to do with a *subsequent honoring* of a letter of credit or guaranty of payment. That event, should it occur, is in favor of the lender.

For this purpose, the *obtaining* of the loan within 180 days would also mean that the CSO/CAB must provide any promised guarantee to obtain the extension of credit or guarantee to erase bad credit within that time. It does not mean, however, that a guaranty of payment or letter of credit is limited in duration since that would have the effect of limiting the maturity of the extension of credit.

A key consideration is that the CSOA permits extension of credit of any maturity (e.g., 18 months, 24 months, and even 30-year mortgage loans). There is no rational basis for saying the statute allows a CSO/CAB to arrange a loan with a term greater than 180 days, but does not allow the CSO/CAB to issue a letter of credit or guaranty of payment to secure that loan. There is no discernable policy distinction between a short-term loan and a longer-term loan.

5. The 180-day language has a narrow purpose

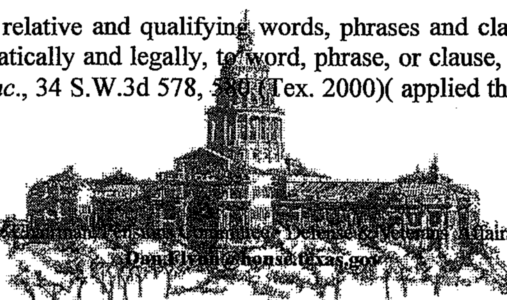
The 180-day language is found in Section 393.201(b)(2)[19], which deals with the "form and terms of the contract" between the CSO/CAB and the consumer. It provides:

> [T]he contract must … fully describe the services the organization is to perform for the consumer, including each guarantee and each promise of a full or partial refund and the estimated period for performing the services, not to exceed 180 days ….

Under the last antecedent rule,[20] the phrase "not to exceed 180 days" only applies to "each guarantee and each promise of a full or partial refund," not to other items. If the statute meant all items, then the phrase should have been placed directly in the first clause of the paragraph, as follows: *[T]he contract must ... fully describe the services the organization is to perform for the consumer not to exceed 180 days*. But Chapter 393 does not do that.

[19] Tex. Fin. Code § 393.201(b)(2).

[20] Under the last-antecedent rule, relative and qualifying words, phrases and clauses, where no contrary intention appears, are to be applied, grammatically and legally, to word, phrase, or clause, immediately preceding. *See, e.g., Spradlin v. Jim Walters Homes, Inc.*, 34 S.W.3d 578, 580 (Tex. 2000)(applied the last-antecedent rule to the Texas Home Homestead Provision).



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In context, the language about "guarantees" and promises of "refunds" relate to the idea of guaranties about erasing bad credit or *obtaining* the third-party extension of credit. *See, e.g.*, Tex. Fin. Code § 393.304.[21]

Given that Chapter 393 does not restrict the duration of the extension of credit and focuses on the three limited services (i.e., improving a credit history or rating, obtaining an extension of credit, or assistance in doing so), the correct way to understand the 180-day language is that it requires the CSO/CAB to describe how long it will take for the CSO/CAB to *obtain* the extension of credit (or provide any refunds). That is what the statute plainly means. It relates solely to how long it will take for the consumer to *obtain* the sought-after extension of credit, not the term of the letter of credit or guaranty of payment associated with obtaining the loan.

Another consideration is that the timing of honoring a letter of credit or guaranty of payment would not fit into to definition of credit services in Section 393.001(3) and Section 393.601(2), specifically that of providing services to the consumer related to "obtaining" a third-party extension of credit or providing "advice or assistance" with regard to obtaining the credit.[22] Instead, the timing of any subsequent honor is between the CSO/CAB and the lender.

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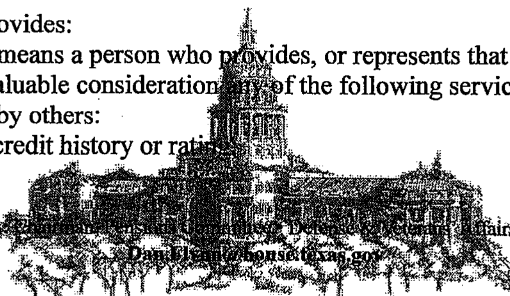
[21] Section 393.304 was added in 1989 as part of the amendments adding the 180-day rule. It provides:

> FALSE OR MISLEADING REPRESENTATION OR STATEMENT. A credit services organization or a representative of the organization may not:
> (1) make or use a false or misleading representation in the offer or sale of the services of the organization, including:
> (A) *guaranteeing to "erase bad credit"* or words to that effect unless the representation clearly discloses this can be done only if the credit history is inaccurate or obsolete; and
> (B) *guaranteeing an extension of consumer credit regardless of the person's credit history unless the representation clearly discloses the eligibility requirements for obtaining the extension*; or
> (2) make, or advise a consumer to make, a statement relating to a consumer's credit worthiness, credit standing, or credit capacity that the person knows, or should know by the exercise of reasonable care, to be false or misleading to a:
> (A) consumer reporting agency; or
> (B) person who has extended consumer credit to a consumer or to whom a consumer is applying for an extension of consumer credit. (emphasis added).

[22] Tex. Fin. Code § 393.001(3) provides:

> Credit services organization" means a person who provides, or represents that the person can or will provide, for the payment of valuable consideration, any of the following services with respect to the extension of consumer credit by others:
> (A) improving a consumer's credit history or rating;



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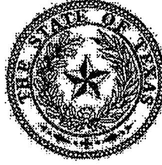

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6. Letters of credit and guaranties of payment are provided when the extension is obtained

There is no reason that a CSO/CAB cannot define its services in the credit services agreement. In fact, the CSOA requires as much. Tex. Fin. Code § 393.201(b). In this instance, the service being defined is the term for obtaining a loan, including the issuance of a letter of credit or guaranty to secure the loan.

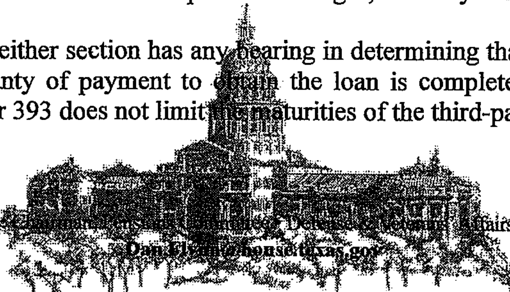
What the consumer expects is the receipt of a loan, and once the loan is obtained, the consumer has fully received what the consumer expected. The establishment of the letter of credit or guaranty of payment no longer impacts the consumer, but instead only remains relevant for the CSO/CAB and the lender.

The fact that the honoring of the letter of credit or guaranty of payment does not impact the consumer is buttressed by Section 5.111 of the Business and Commerce Code, which only provides for the remote possibility of incidental damages if incurred by the consumer.[23] Damages cannot happen as a practical matter with a standby letter of credit of the consumer's debt. With a standby letter of credit of a debt, the debt remains the same when the issuer pays the debt and then seeks reimbursement from the consumer. Conversely, if the issuer does not pay, then the consumer still owes the same debt to the lender. The effect of payment is a change of the creditor, not the debt. Either way, the consumer owes the same debt, thus showing that Section 5.111 never impacts the analysis.

As set forth in the factual assumptions, the CSO/CAB would solely arrange a third party loan, including the issuance of an irrevocable letter of credit or guaranty of payment in order to obtain the loan. This means by definition that all of the CSO/CAB's services are completed and fulfilled on the day the loan is obtained.

(B) obtaining an extension of consumer credit for a consumer; or
(C) providing advice or assistance to a consumer with regard to Paragraph (A) or (B).
Tex. Fin. Code § 393.601(2) uses essentially the same definition.

[23] Tex. Bus. & Comm. Code § 5.111(b). It provides:
(b) If an issuer wrongfully dishonors a draft or demand presented under a letter of credit or honors a draft or demand in breach of its obligation to the applicant, the applicant may recover damages resulting from the breach, including incidental but not consequential damages, less any amount saved as a result of the breach.
This flows from Section 5.108. Neither section has any bearing in determining that the CSO/CAB's promise to issue the letter of credit or guaranty of payment to obtain the loan is completed and fulfilled when issued, especially considering that Chapter 393 does not limit the maturities of the third-party loans.



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A letter of credit is independent of the underlying transaction,[24] and, similarly, an absolute guaranty of payment is a separate and distinct obligation.[25]

By its very nature, a CSO/CAB's promise to *issue* a letter of credit or guaranty of payment is complete and fulfilled when the letter of credit or guaranty of payment is *issued.* If there is a demand for payment under the letter of credit or guaranty of payment, the honoring of the demand is in favor of the lender, not the consumer. In contrast, the consumer received the benefit of the letter of credit or guaranty of payment when the loan was obtained. This is especially true since the contract documents provide that the consumer cannot be called upon to replace the letter or credit or guaranty of payment even if the CSO/CAB becomes insolvent.

The letters of credit or guaranties of payment that are issued are *irrevocable*, which means they cannot be altered or revoked.[26] In fact a standby letter of credit has been called a "guaranty letter of credit."[27] Once issued, the CSO/CAB is irrevocably obligated to the creditor to pay under the guaranty of payment or letter of credit in the event of default. *This is not a promise to the consumer, but to the creditor.* In fact, a guaranty of payment can be issued with or without notice to the consumer.[28]

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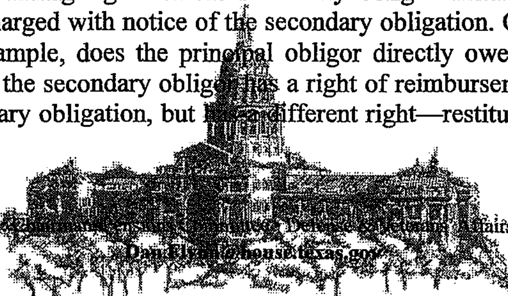
[24] *E.g., Westwind Exploration, Inc. v. Homestate Sav. Ass'n*, 696 S.W.2d 378, 381 (Tex. 1985). A letter of credit is an instrument that obligates the issuer to pay the beneficiary upon a proper presentment under the letter. *Eastman Software, Inc.v. Texas Commerce Bank*, 28 S.W3d 79, 84 (Tex. App. – Texarkana 2000, pet. denied).

[25] *E.g., Ashcroft v. Lookado*, 952 S.W.2d 907 (Tex. App. – Dallas 1937, pet. denied)(guaranties are separate and distinct contracts from the guaranteed obligations); *Long Island Trust Co. v. Dicker, 480 F. Supp. 656, 648* (N.D. Tex. 1979); *Universal Metals and Machinery, Inc. v. Bohart*, 539 S.W.2d 874, 879 (Tex. 1976). An absolute guaranty means, for example, that there are no conditions precedent to the guarantor's liability. *Playboy Enterprises, Inc. v. Sanchez-Campuzano*, 519 Fed. Appx. 219, 222 (5th Cir. 2013).

[26] "Irrevocable" means something is "not possible to revoke." It is "unalterable." Merriam Webster's Collegiate Dictionary (10th Ed. 1993).

[27] *E. Girard Sav. Ass'n v. Citizen Nat/l Bank and Trust of Baytown*, 593 F.2d 598, 601 (5th Cir. 1979).

[28] RESTATEMENT (THIRD) OF SURETYSHIP & GUARANTY OF PAYMENT § 20, cmt. a (1996): The duties of the principal obligor and the corresponding rights of the secondary obligor differ in some contexts depending on whether the principal obligor is charged with notice of the secondary obligation. Only when the principal obligor is charged with such notice, for example, does the principal obligor directly owe the secondary obligor a duty of performance. See § 21. Similarly, the secondary obligor has a right of reimbursement when the principal obligor is charged with notice of the secondary obligation, but has a different right—restitution—when it is not charged with notice. See §§ 22- 24.



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The guaranties of payment or letters of credit are *specific*, which means they are not on-going in nature.[29]

Under Texas law, a guaranty of payment or letter of credit is treated as a *sales transaction* in which in which the guarantor or letter of credit issuer is "*selling its credit*" to the consumer. When viewed as a sale, it easy to see how the sale is *complete* when the guaranty of payment or letter of credit is issued. After the sale, there is nothing for the issuer to do except to honor its obligation *to the creditor* to pay the creditor upon demand.

In *Greever v. Persky*, 165 S.W.2d 709 (Tex. 1935), for example, the Texas Supreme Court states the sale-of-credit concept as follows:

> [With respect to pledge fees or similar fees, it] may be accepted as true that where one acts in good faith, and not for the purpose of concealing a usurious loan made by him, he may *sell his credit* to a borrower for consideration; and to that end may endorse, guarantee, or become surety for the payment of a loan made to the borrower by a third person at the highest lawful rate of interest, without rendering either the contract for the sale of his credit or the loan made by the third party usurious ....[30]

H. Additional Argument and Analysis regarding Bill Payment Services

The bill-payment question deals with whether a CSO/CAB *as a separate line of business* unrelated to Chapter 393 is permitted to be a Chapter 151 bill-pay licensee or an authorized agent of a bill-pay licensee. These non-Chapter 393 services would be optional and provided in accordance with the separate requirements of Chapter 151.

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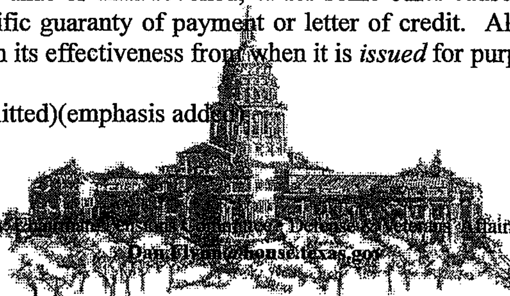
[29] 13A West's Legal Forms, Commercial Transactions § 49:187 (2015)(sample specific guaranty of payment); and 38 AM. JUR. 2D GUARANTY OF PAYMENT § 17 (2016). Some guaranties are continuing guaranties, e.g., *Houston Furniture Distributors, Inc. v. Bank of Woodlake, N. A.*, 562 S.W.2d 880, 884 (Tex. Civ. App. Houston 1st Dist. 1978, no writ) (finding that a continuing guaranty of payment contemplates a series of future transactions and remains in effect for an indefinite time or until revoked, or for some other cause has become ineffective), but that would have no bearing on a specific guaranty of payment or letter of credit. Also, even a continuing guaranty of payment would have no bearing on its effectiveness from when it is *issued* for purposes of Chapter 393.

[30] 165 S.W.2d at 711 (citations omitted)(emphasis added).



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The collection of payments under Chapter 151 would not be a Chapter 393 service listed in the credit services agreement.

These Chapter 151 services are already being offered at Chapter 393 locations throughout Texas.

Chapter 151 expressly permits these activities, including Section 151.302(d)("a license holder may engage in the money transmission business … through one or more authorized delegates"), Section 151.402 ("A money transmission license holder may conduct business regulated under this chapter through an authorized delegate appointed by the license holder in accordance with this section"), and Section 151.403 through Section 151.405.

As part of the bill-pay concept, a consumer would have several options for making loan payments. The consumer can elect to pay by having the lender ACH the consumer's account or by mailing payment to the lender. The consumer on an optional basis could also use several bill payment services, including the CSO/CAB at the consumer's option. Generally, bill pay services are licensees or agents of licensees under Chapter 151 of the Texas Finance Code.. Within those structures, it is permissible for a CSO/CAB to act independently of Chapter 393 as a payment agent under Chapter 151.

There is no prohibition in Chapter 393 for a CSO/CAB to provide other services at its retail locations.[31] This might include, for example, finance company loans, telephone sales, sale of prepaid cards, bill payment services, or other services, subject to any additional licensing requirements. This is common today.

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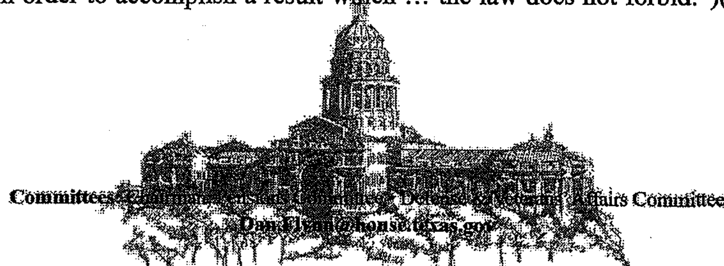
[31] As legitimate licensed services under Chapter 151, it is not correct that these bill-payment services are somehow improper. Texas law recognizes that compliance with the law is not evasion of law. *E.g., Republic Bank Dallas, N.A. v. Shook*, 653 S.W. 2d 278, 281 (Tex. 1983)("Texas cases hold that a lender's requirement that the individual incorporate is not a violation of the usury laws but an intention to comply with them ...."); and *Skeen v. Glenn Justice Mortgage Co.*, 526 S.W.2d 252, 256 (Tex. Civ. App. – Dallas 1975, writ ref'd n.r.e.)("[Texas law] ...permits a corporate entity to make the contract [at 18% per annum] which would be illegal if made by an individual.... The law has not been evaded [by requiring the borrower to incorporate] but [instead] has been followed meticulously in order to accomplish a result which … the law does not forbid.")(internal quotation marks omitted)



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The concept is that a CSO/CAB would be in a position to be a Chapter 151 licensee or the agent of a licensee, but that has nothing the do with the limited services that the CAB is providing under its credit services agreement to arrange a third party loan, including the issuance of an irrevocable letter of credit or guaranty of payment to secure that loan.

The contract documents would disclose the different options that a consumer has to make payments to the lender and would list the CSO/CAB as one of several options that are available. The disclosures would explain that any bill-payment service by the CSO/CAB under Chapter 151 is optional and separate from any services being provided by the CSO/CAB under Chapter 393.

As set forth in the factual assumptions, the CSO/CAB would not service the loan at all or at least not past 180 day. The lender does not charge the customer for accepting a payment via bill payment. The lender absorbs the cost through its contract with the bill pay company. The CSO/CAB acting separately as a bill-pay service may charge an appropriate fee under Chapter 151.

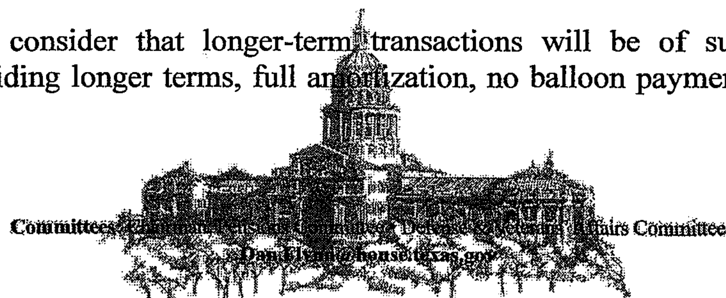
I. Conclusion

As set forth in brief, we hope that the two questions are straightforward.

With respect to the letter-of-credit or guaranty-of-payment question, it is only logical that a CSO/CAB's promise to issue a letter of credit or guaranty of payment so the consumer is able to obtain a third-party loan is completed and fulfilled when the letter of credit or guaranty of payment is issued. In contrast, the subsequent honoring of a demand under the letter of credit or guaranty of payment, which might never occur, is in favor of the lender, not the consumer.

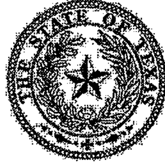
With respect to the bill-pay question, there is no reason that a CSO/CAB cannot have multiple lines of business operating out of the same location, including offering both Chapter 393 credit services and Chapter 151 bill payments services. The Chapter 393 credit services are subject to being listed and described in the credit services agreement and can easily be distinguished from other lines of services being provided on an optional basis in a non-Chapter 393 capacity, such as bill-pay services under Chapter 151.

It is important to consider that longer-term transactions will be of substantial benefit to consumers by providing longer terms, full amortization, no balloon payments, lower payments,



The State of Texas
House of Representatives

P.O. Box 2910
Austin, Texas 78768
Tel: 512-463-0880
Fax: 512-463-2188



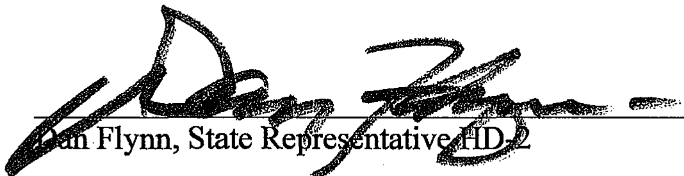
Representing
Hunt, Hopkins, and
Van Zandt Counties

Dan Flynn
State Representative • District 2

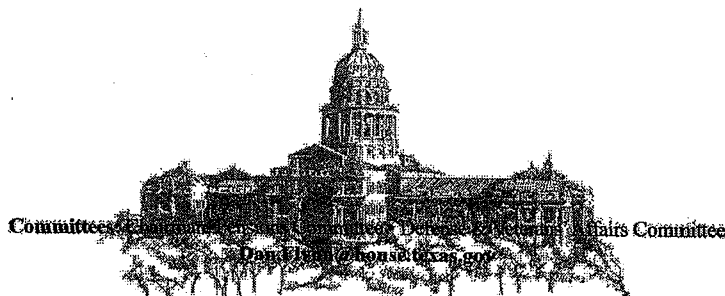
and hoped-for lower rates. These benefits should not be denied by an improper interpretation of the 180-day language in the context of the entire CSOA and common sense.

We reserve the right to provide additional briefing to the extent that other parties offer comments on this request. We also remain available to provide any additional information you may need to make an informed decision.

Sincerely,



Dan Flynn, State Representative HD-2



Committees: [illegible] Defense & Veterans' Affairs Committee
Dan.Flynn@house.texas.gov

ATTACHMENT A

Sealy Hutchings
Attorney-at-Law

February 6, 2017

Mr. J. Scott Sheehan
Shareholder
Greenberg Traurig, LLP

VIA Email

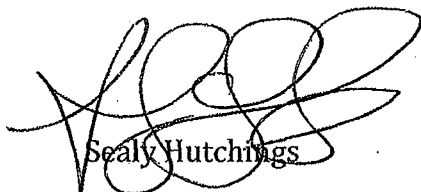
RE: Email forwarded in August 2014 confirming telephone conversation between Sealy Hutchings and Scott Sheehan. Mr. Sheehan sent Mr. Hutchings the email while Mr. Hutchings was employed as general counsel for the Office of Consumer Credit Commissioner.

Dear Mr. Sheehan,

The Office of Consumer Credit Commissioner (OCCC) employed me as general counsel from February 1996 through August 2014. I resigned the position effective August 31, 2014.

Shortly before I left the employment of the OCCC, I engaged in a telephone conversation with you regarding Chapter 393, the 180 day limitation, and the issuance of the letter of credit by the credit access business. In this conversation, I expressed my opinion that the issuance of the letter of credit, not the performance on the letter of credit, must occur within the 180 day period required by Chapter 393. I also expressed that the transaction by its nature is factually intensive and that any credit transaction that contracted for a term of more than 180 days would have to be carefully reviewed to determine compliance with the requirements of Chapter 393. I remember that you sent me an email confirming the conversation. The attached email appears to me to be the email that I received from you.

Yours truly,



Sealy Hutchings

From: Sheehan, J. Scott (Shld-Hou-CP)
To: Sealy Hutchings
Subject: Chapter 393 -- 180 Day Matters
Date: Monday, August 25, 2014 11:57:59 AM
Attachments: image001.jpg

Sealy:

This email is meant to confirm certain matters regarding the OCCC's position on whether it is permissible to structure a transaction under Chapter 393 in which the lender's extension of credit is greater than 180 days, but the CSO-CAB's services do not extend beyond 180 days, including any servicing.

You advised that this concept is permitted under Chapter 393 provided the CSO-CAB's services do not extend beyond 180 days. For this purpose, you advise that the OCCC's position is that a CSO-CAB's performance on the letter of credit or guaranty is not something that has to occur within 180 days.

You indicated that while the post-180 transaction concept is permitted in concept, it is vital that the concept be correctly implemented in practice. You further indicated that the flow may need to be scrutinized to verify that the CSO-CAB is not performing services for the consumer after 180 days.

We discussed the concept of the CSO-CAB independently offering consumers a bill-pay service in which the CSO-CAB is an agent for a licensed bill payment service. This service would be independent of any services provided by the CSO-CAB to a consumer under a credit services agreement under Chapter 393. You indicated that this activity would be permitted, but that it would be important to verify that all of the appropriate contracts are in place so that the CSO-CAB is a proper agent of the independent bill payment service.

Best regards, Scott Sheehan

J. Scott S. Sheehan
Shareholder
Greenberg Traurig, LLP

ATTACHMENT B

From: Sheehan, J. Scott (Shld-Hou-CP)
To: Sealy Hutchings
Subject: Chapter 393 -- 180 Day Matters
Date: Monday, August 25, 2014 11:57:59 AM
Attachments: image001.jpg

Sealy:

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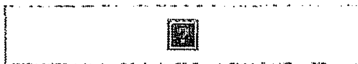
Best regards, Scott Sheehan

J. Scott S. Sheehan
Shareholder
Greenberg Traurig, LLP



ATTACHMENT C

ATTORNEY GENERAL OF TEXAS
GREG ABBOTT

January 12, 2006

Ms. Leslie Pettijohn, Commissioner
Office of the Consumer Credit Commissioner
2601 N. Lamar Blvd.
Austin, Texas 78705-4207

Dear Commissioner Pettijohn:

Pursuant to a request in August 2005, this office began looking into the recent change in lending practices within the payday loan industry to begin use of the credit services organization, or CSO, model. Shortly thereafter, we received a letter from Senator Eliot Shapleigh asking the Office of the Attorney General (OAG) to review the same practices, and we were also copied on a letter from consumer advocates asking you to request enforcement action by the OAG against payday lenders based on the contention that such practices violate state consumer lending laws. Based on these three requests, this office embarked upon a review of the CSO model. As a preliminary matter it must be noted that this letter is not a formal Attorney General opinion which is subject to exhaustive review and public comment, but is merely the analysis of a team of attorneys at our office based on information provided to this office, visits with members of industry, consumer advocates and state agency personnel, and a review of relevant law. Our analysis is as follows:

In July 2005, as a result of a change in federal guidelines controlling the number of payday loans national banks may make, the payday loan industry developed a new model for making payday loans based on existing Texas laws authorizing credit services organizations. TEX. FIN. CODE ANN. §§393.001-.505. Under these statutes, those who formerly operated under the national bank model now structure themselves as a CSO in order to obtain loans for consumers through third party lenders. The interest amount charged by the third party lender is 10%, conforming with Article 16, Section 11 of the Texas Constitution. A fee is charged by the CSO to arrange for the loan. (Notably, the total fees charged by the CSO plus the 10% interest often may make loans under this model more expensive than traditional payday loans.)

The first question raised by this new model is whether there is any limit on the amount of fees in these transactions under Chapter 393 of the Finance Code. We believe there is not. Although the legislature designed the statutes to provide for CSOs to assist in obtaining mortgage financing for consumers, the plain language of the law does not limit its use to only mortgage finance transactions. Also, there is no limit in the CSO statutes on the amount of fees that may be charged by a CSO. Additionally, an alternative use of the CSO model was examined and upheld by the U.S. Fifth Circuit Court of Appeals in Lovick v. Ritemoney Ltd., 378 F.3d 433 (5th Cir. 2004). Based on these facts, on its face the CSO model does not appear to be prohibited under Texas law.

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The next question raised by the model is whether the lender and the CSO are truly independent. By definition, a CSO is one who arranges for the extension of credit to a consumer "by others." TEX. FIN. CODE ANN. §393.001(3). The only reason we believe a lender would agree to make these loans is because the CSO is guaranteeing, through a letter of credit or otherwise, that the loan will be repaid. While this aspect of the model raises many questions, theoretically, if the CSO and the lender are truly independent actors, there would be nothing patently illegal about the model. Determining the true relationship between a CSO and a lender would be a fact-intensive endeavor.

Any discussion of whether the use of this model is the best public policy choice for the State of Texas is one that must be addressed by the legislature and has not been explored by this office. As the attorney representing your office, we will act on referrals from you for enforcement actions under the statutes. We remain committed to work with your office, the legislature and the payday lending industry to find a balanced approach that is legally sound and good for Texas. If you have any questions, please feel free to contact our office again.

Sincerely,

Barry R. McBee
First Assistant Attorney General