

AN ACT

relating to the disclosure of certain information held by a business offering check verification or check guarantee services.

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

SECTION 1. Section 20.06, Business & Commerce Code, is amended by adding Subsection (h) to read as follows:

(h) This section applies to a business offering check verification or check guarantee services in this state.

SECTION 2. Chapter 20, Business & Commerce Code, is amended by adding Section 20.11 to read as follows:

Sec. 20:11. CHECK VERIFICATION AND CHECK GUARANTEE SERVICES; DISCLOSURES TO CONSUMERS. (a) In this section, "check verifier" means any business offering check verification or check guarantee services in this state.

(b) On request and proper identification provided by a consumer, a check verifier shall disclose to the consumer in writing all information pertaining to the consumer in the check verifier's files at the time of the request, including:

(1) the criteria used by the check verifier to reject a check from the consumer;

(2) a set of instructions describing how information is presented on the check verifier's written disclosure of the consumer file; and

(3) a toll-free number at which personnel are

1 available to consumers during normal business hours for use in  
2 resolving a dispute if the consumer submits a written dispute to the  
3 check verifier.

4 (c) A check verifier may not charge a consumer for  
5 disclosing the information required under Subsection (b) if the  
6 check verifier has rejected a check from the consumer in the 30 days  
7 prior to the consumer's request for information. A check verifier  
8 may otherwise impose a reasonable charge on a consumer for the  
9 disclosure of information pertaining to the consumer in an amount  
10 not to exceed \$8.

11 SECTION 3. This Act takes effect September 1, 2003.

David Newkirk

President of the Senate

Jim Caddell

Speaker of the House

I certify that H.B. No. 2409 was passed by the House on April 25, 2003, by a non-record vote.

Robert Honey  
Chief Clerk of the House

I certify that H.B. No. 2409 was passed by the Senate on May 28, 2003, by the following vote: Yeas 31, Nays 0.

Aetsy Spaw  
Secretary of the Senate

APPROVED: 21 Jun 03

Date

Rick Peery  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
3:30pm O'CLOCK

JUN 21 2003  
Kevin Shea  
Secretary of State