

FORTY-NINTH LEGISLATURE
SECOND SESSION

February 15, 2010

HOUSE FLOOR AMENDMENT number 1 to HOUSE JUDICIARY COMMITTEE
SUBSTITUTE FOR HOUSE BILL 175

Amendment sponsored by Representative Joseph Cervantes

1. On page 46, lines 4 through 11, strike Paragraph (2) in its entirety and insert in lieu thereof the following new paragraph:

"(2) if an individual assents to an agreement that contemplates that creditors will settle debts for less than the principal amount of the debt, a provider may charge:

(a) subject to Subsection D of Section 18 of the Uniform Debt-Management Services Act, a fee for consultation, obtaining a credit report, setting up an account and the like in an amount not exceeding the lesser of four hundred dollars (\$400) and four percent of the debt in the plan at the inception of the plan; and

(b) a monthly service fee, not to exceed ten dollars (\$10.00) multiplied by the number of creditors remaining in a plan at the time the fee is assessed, but not more than fifty dollars (\$50.00) in any month;".

2. On page 47, lines 5 and 6, strike "between a consumer and a creditor".

3. On page 47, line 8, strike "the total".

4. On page 47, line 10, strike "and conspicuously".

5. On page 47, line 12, through page 48, line 11, strike Paragraph (1) in its entirety and insert in lieu thereof the following new paragraph:

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"(1) with respect to an agreement that provides for a flat settlement fee based on the overall amount of included debt, the total aggregate amount of fees charged to any individual pursuant to the Uniform Debt-Management Services Act, including fees charged pursuant to Paragraph (2) of Subsection D of this section, shall not exceed seventeen percent of the principal amount of debt included in the agreement at the inception of the agreement. The flat settlement fee authorized pursuant to this paragraph shall be assessed in equal monthly payments over at least one-half of the duration of the plan, as estimated at the plan's inception, unless the payment of fees is voluntarily accelerated by the individual in a separate record or at least one-half of the overall amount of outstanding debt covered by the agreement has been settled; or".

6. On page 49, lines 9 through 16, strike Subsections H and I in their entirety.

Joseph Cervantes

Adopted _____
(Chief Clerk)

Not Adopted _____
(Chief Clerk)

Date _____