Credit Access Business Ordinance

City of Bryan Ordinance #2032
City of College Station Ordinance #3556

Overview:

YOU NEED TO KNOW

- CAB must apply for certificate of registration from City of location.

- Ordinance effective dates: August 1, 2014 in Bryan and August 27, 2014 in College Station.

- CAB must maintain records of all loans made for three years, making them available to inspection upon request.

- Amount of payday loan cannot exceed 20% of monthly gross income.

- Amount of auto title loan cannot exceed the lesser of 3% of borrowers annual income or 70% of value of the vehicle.

- Installment loans may not have more than 4 installments - 25% of each installment must be used to repay principal amount of loan.

- No renewals or refinancing of installment-payment loans are permitted.

- Loans with single lump sum repayments may not be refinanced or renewed more than 3 times-proceeds from each refinance must pay at least 25% of loan principal.

- CAB is required to provide extension of credit agreement in consumer's language of preference.

- CAB must provide borrowers with referral sheet to consumer credit counseling agencies and other financial education.

- Not more than $500 fine for each offense.