

BILL ANALYSIS

H.B. 1881
By: Capriglione
Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that private schools are not allowed to pass credit card convenience fees along to parents or others paying for tuition costs and other school payments, whereas public schools currently have methods in place for passing along those fees. The parties contend that as a result private schools are tasked with absorbing large fees because parents are unable to use a service that is widely and frequently accepted elsewhere. H.B. 1881 seeks to address this issue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1881 amends the Business & Commerce Code to authorize a private school accredited by an agency that is a member of the Texas Private School Accreditation Commission to charge a fee or other amount in connection with a credit card, debit card, or an electronic funds transfer payment of tuition, a fee, or another charge to the school, in addition to the amount being paid. The bill requires the fee or charge to be in an amount reasonable and necessary to reimburse the school for the expense incurred by the school in processing and handling the payment or payment transaction. The bill requires the school, before accepting a payment by a credit card, debit card, or electronic funds transfer, to notify the cardholder or other person making the payment of any fee to be charged.

H.B. 1881 amends the Finance Code to make conforming changes.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.