



Credit Access Business Regulation

The City of Waco has recently passed an ordinance regulating Credit Access Businesses. This packet is a courtesy in order to provide you with the necessary information, answer questions, and to aid in implementing the new regulations. The City makes every effort to be good stewards to the community and to assist our business owners in compliance with the municipal code. This is an attempt to provide information to all of the credit access businesses of which we are aware. However, it is not possible to contact every Credit Access Business conducting business in Waco, so please share this with any other persons which may have interest.

If you should have any questions, please contact the Inspection Services Department which is located in the Dr. Mae Jackson Development Center at 401 Franklin Ave or by phone (254) 750-5649, or KristanW@wacotx.gov.

Sincerely,
Kristan Whiting,
Sr. Permit Technician
City of Waco



Credit Access Business Regulation

The Waco Municipal Code has been amended for the purpose of protecting the welfare of citizens of the Waco by monitoring credit service organizations in an effort to reduce abusive and predatory lending practices. This bulletin outlines the registration program for credit service organizations.

Definitions

- **Certificate of Registration:** Means a certificate or registration issued by the director under this article to the owner or operator of a credit access business.
- **Consumer:** Means individual who is solicited to purchase or who purchases the services of a credit access business.
- **Credit Access Business:** has the meaning given that term in section 393.601 of the Texas Finance Code.

Registration Application

The Inspection Services Department shall issue a certificate of registration for a credit access business only when an applicant has submitted the following:

- A completed an Annual Registration Application form.
- A copy of a current, valid state credit access license held by the credit service organization.
- A non-refundable application fee of \$50.00.

The Inspection Services Department must be notified within 45 days after any changes are made of the information submitted in the Application of Annual Registration. This includes, but is not limited to, any change of address or any change in the status of the state license held by the applicant.

Issuance and Display of Certificate of Registration

A certificate of registration for a credit access business must be clearly displayed to the public in the business.

Expiration and renewal of certificate of registration

A certificate of registration expires on the earliest of:

- (1) One year after the date of issuance; or
- (2) The date of revocation, suspension, surrender, expiration without renewal, or other termination of the registrant's state license.

A certificate of registration may be renewed by making application in accordance with section 13-216. A registrant shall apply for renewal at least 30 days before the expiration of the registration.

The Credit Access Business shall maintain records in accordance with section 13-220 of the currently adopted ordinance. A copy of ordinance, Article V Credit Access Businesses, has been included for reference.



Credit Access Business Consumer Information

Please read the information on this form. This information will enable you to become familiar with selected sections of the City of Waco Code of Ordinances Chapter 13 concerning Credit Access Businesses. Additionally, this form provides a listing of local nonprofit agencies that provide FREE financial education and training programs and agencies with cash assistance programs.

Credit Access Businesses are required by Article V Section 13-211 of the Waco Code Ordinance to provide this information to you because you are seeking assistance in obtaining an extension of consumer credit.

Section 13-220 Maintenance of Records,

(a) A credit access business shall maintain a complete set of records of all extensions of consumer credit arranged or obtained by the credit access business, whether an original transaction or refinancing or renewal of an extension of consumer credit which must include the following information:

- 1) The name and address of the consumer.
- 2) The principal amount of cash actually advanced.
- 3) The length of the extension of consumer credit, including the number of installments and renewals.
- 4) The fees charged by the credit access business to arrange or obtain an extension of consumer credit: and
- 5) The documentation used to establish a consumer's income under Section 13-221.

Sec. 13-221 Restrictions on Extension of Consumer Credit,

(a) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a deferred presentment transaction may not exceed twenty percent (20%) of the consumer's gross monthly income.

(b) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a motor vehicle title loan may not exceed the lesser of:

- (1) Three percent (3%) of the consumer's gross annual income: or
- (2) 70 percent (70%) of the retail value of the motor vehicle.

(c) A credit access business shall retain a copy of one or more of the following documents used to establish or determine a consumer's income: a paycheck issued to the consumer and dated within the same month as the consumer applies for extension of consumer credit: an IRS Form.

W-2 issued to the consumer for the preceding tax year: the consumer's personal income tax return for the preceding tax year: or. a signed letter from the consumer's employer signed and dated within the month in which an extension of consumer credit is sought, which states the length of the employer's payroll period and the total wages that the employer pays or expects to pay to the consumer per payroll period.

(d) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for repayment in installments may not be payable in more than four installments. Proceeds from each installment must be used to repay at least 25 percent of the principal amount of the extension of consumer credit. An extension of consumer credit that provides for repayment in installments may not be refinanced or renewed.

(e) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for a single lump sum repayment may not be refinanced or renewed more than three times. Proceeds from each refinancing or renewal must be used to repay at least 25 percent of the principal amount of the original extension of consumer credit.

(f) For purposes of this section, an extension of consumer credit that is made to a consumer within seven days after a previous extension of consumer credit has been paid by the consumer will constitute a refinancing or renewal.

~CONSUMER CREDIT INFORMATION~

THIS FORM IS FOR INFORMATION PURPOSES ONLY AND IS NOT INTENDED TO BE

AN ENDORSEMENT OF ANY PROGRAM OR ENTITY

EDUCATION AND TRAINING

Neighbor Works Waco

922 Franklin Ave
Waco, TX 76701
Phone: (254) 752-1647
<https://www.nw-waco.org/>

Waco CDC

1624 Colcord Ave.
Waco, TX 76707
(254) 235-7358
<http://wacocdc.org/>

Texas Agri-Life Extension - McLennan County Office

420 N 6th St.
Waco, TX 76701
(254) 757-5180
<http://mclennan.agrilife.org/>

YMCA of Central Texas

(254) 776-6612

<http://www.ymcaofcentraltexas.org/YMCAofCentralTexas/Membership/FinancialAssistance.aspx>

Other Local Agency's

http://www.yellowpages.com/waco-tx/consumer-credit-counseling#refinements=facet_clicked%3AHeadingText&refinements=headingtext%3ACredit%20%26%20Debt%20Counseling&page=1

Office of Consumer Credit Commissioner

2601 N. Lamar Blvd
Austin, TX 78705

Phone: (800) 538-1579 – Consumer Helpline
(512) 936-7639 – Credit Education
(512) 936-7627 – Consumer Protection

<http://occc.texas.gov/>

Texas Attorney General - Consumer Protection Division

Austin Regional Office

300 W. 15th Street, 9th Floor
P.O. Box 12548
Austin, TX 78711-2548
(512) 463-2185 – Main Number

Dallas Regional Office

1412 Main Street, Suite 810
Dallas, TX 75202
(214) 969-7615 – Main Number

(800) 621-0508 - Texas Attorney General's Consumer Protection Hotline

<https://www.texasattorneygeneral.gov/consumer/complain.shtml>

211 TEXAS (Provides free information and referral assistance 24 hours a day, seven days a week)

<https://www.211texas.org/cms/>

Need Help Paying Bills

http://www.needhelp-payingbills.com/html/mclennan_county_assistance_pro.html



Annual Registration Application – Credit Access Business

Section 1) Registrant / Applicant Business Information: Application Date: _____

Business Name: _____

DBA If Different From Official Name: _____

Business Street Address: _____ Suite No: _____

City: _____ State: _____ Zip: _____ Zoning: _____

Mailing Address for Business: _____

Primary Contact Name: _____

Telephone Number: _____ Fax Number: _____

Email: _____

Federal Tax ID Number: _____

Applicant Name: _____ Cell Phone: _____

Mailing Address: _____

Email: _____ Fax Number: _____

Is This Business Operating As:

Corporation

Limited Liability Company – LLC

Multiple Entities

Partnerships

a) General Partnership – GP

b) Limited Partnership – LP

c) Limited Liability Partnership – LLP

Section 2) Registrant Business Owner(s) Information: Includes all owners of the credit access business and other persons with financial interest in the credit access business and the nature and extent of each person's interest in the credit access business. (Use more sheets as needed)

A) Business Owner Information

Business Owner Name: _____ Telephone: _____

Title: _____

Nature and Extent of Interest: _____

Street Address: _____

Mailing Address: _____

Email: _____ Fax: _____

B) Business Owner Information

Business Owner Name: _____ Telephone: _____

Title: _____

Nature and Extent of Interest: _____

Street Address: _____

Mailing Address: _____

Email: _____ Fax: _____

C) Business Owner Information

Business Owner Name: _____ Telephone: _____

Title: _____

Nature and Extent of Interest: _____

Street Address: _____

Mailing Address: _____

Email: _____ Fax: _____

D) Business Owner Information

Business Owner Name: _____ Telephone: _____

Title: _____

Nature and Extent of Interest: _____

Street Address: _____

Mailing Address: _____

Email: _____ Fax: _____

Section 3) Applicant / Registrant

Applicant:

I hereby certify as the owner or the owners authorized agent to make this application, and I agree to conform to all applicable laws of the State of Texas and the City of Waco. All information submitted on this application is accurate to the best of my knowledge.

The applicant / registrant is responsible for the payment of all fees and charges applicable to this application. The annual registration fee requirement for a credit access business is fifty dollars (\$50.00). **The applicable certificate of registration fee, payable to the City of Waco, Texas, must be remitted with submission of this application along with a copy of the current valid state credit access business license for the named location.**

Applicant / Registrant shall apply for renewal at least 30 days before the annual registration expires.

Submission of this application and registration fee in no way guarantees issuance of the required credit access business registration. The annual registration shall be issued pending an inspection of the credit access business and a finding of compliance with all applicable requirements and regulations of the City of Waco municipal code.

An applicant or registrant shall notify the Inspection Services department within 45 days after any material change in the information provided in this application.

The information submitted above is true and correct to the best of my knowledge.

Non-Refundable Application Fee: **\$50.00**

Signature

Return Application & License Fee To:

Mailing Address

City of Waco
Inspection Services Department
P.O. Box 2570
Waco, TX 76702-2570

Office Location

401 Franklin Ave
Dr. Mae Jackson Development Center
(254) 750-5649
KristanW@wacotx.gov