

Chapter 473

H.B. No. 2275

1 AN ACT  
2 relating to the regulation of a service contract.

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

4 SECTION 1. Section 1304.003(b), Occupations Code, is  
5 amended to read as follows:

6 (b) A service contract described by Subsection (a)(2)(A)  
7 may also provide for:

8 (1) incidental payment or indemnity under limited  
9 circumstances, including towing, rental, and emergency road  
10 service;

11 (2) the repair or replacement of a product for damage  
12 resulting from a power surge or for accidental damage incurred in  
13 handling the product; ~~[or]~~

14 (3) identity recovery, if the service contract is  
15 financed under Chapter 348 or 353, Finance Code; or

16 (4) the replacement of a motor vehicle key or key fob  
17 in the event the key or key fob is inoperable, lost, or stolen.

18 SECTION 2. Section 1304.1581, Occupations Code, is amended  
19 by adding Subsection (g) to read as follows:

20 (g) Notwithstanding Subsection (b)(1) or (c)(1), a provider  
21 is not required to deduct the amount of any claims paid under a  
22 service contract from the amount of a refund required under this  
23 section.

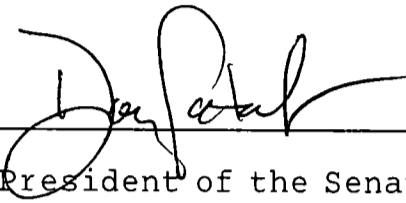
24 SECTION 3. Section 1304.159, Occupations Code, is amended

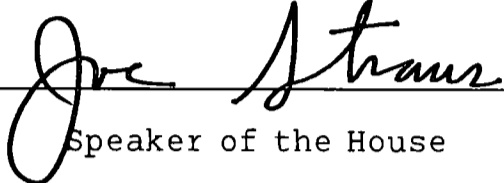
1 by adding Subsection (d) to read as follows:

2       (d) Notwithstanding Subsection (c), a provider is not  
3 required to deduct the amount of any claims paid under a service  
4 contract from the amount of a refund a service contract holder is  
5 entitled to under this section.

6       SECTION 4. The changes in law made by this Act apply only to  
7 a service contract entered into or renewed on or after the effective  
8 date of this Act. A service contract entered into or renewed before  
9 the effective date of this Act is governed by the law in effect  
10 immediately before the effective date of this Act, and that law is  
11 continued in effect for that purpose.

12       SECTION 5. This Act takes effect September 1, 2017.

  
\_\_\_\_\_  
President of the Senate

  
\_\_\_\_\_  
Speaker of the House

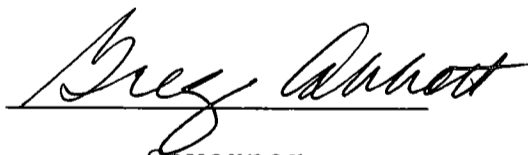
I certify that H.B. No. 2275 was passed by the House on April 20, 2017, by the following vote: Yeas 143, Nays 1, 2 present, not voting.

  
\_\_\_\_\_  
Chief Clerk of the House


I certify that H.B. No. 2275 was passed by the Senate on May 24, 2017, by the following vote: Yeas 31, Nays 0.

  
\_\_\_\_\_  
Secretary of the Senate

APPROVED: 6-7-2017  
Date

  
\_\_\_\_\_  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
7:00 PM O'CLOCK

JUN 09 2017  
  
\_\_\_\_\_  
Secretary of State

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 4, 2017**

**TO:** Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** HB2275 by Paddie (Relating to the regulation of a service contract.), As Engrossed

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 452 Department of Licensing and Regulation

**LBB Staff:** UP, CL, EH, JQ, SD

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION  
Revision 1**

**April 13, 2017**

**TO:** Honorable John Kuempel, Chair, House Committee on Licensing & Administrative Procedures

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2275** by Paddie (Relating to the regulation of a service contract.), **Committee Report 1st House, Substituted**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 452 Department of Licensing and Regulation

**LBB Staff:** UP, CL, EH, JQ, SD

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 6, 2017**

**TO:** Honorable John Kuempel, Chair, House Committee on Licensing & Administrative Procedures

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** HB2275 by Paddie (Relating to the regulation of a service contract.), **Committee Report 1st House, Substituted**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 452 Department of Licensing and Regulation

**LBB Staff:** UP, JQ, CL, EH

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION  
Revision 1**

**April 12, 2017**

**TO:** Honorable John Kuempel, Chair, House Committee on Licensing & Administrative Procedures

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** HB2275 by Paddie (Relating to the regulation of a service contract.), **As Introduced**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 452 Department of Licensing and Regulation

**LBB Staff:** UP, CL, EH, JQ, SD

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 23, 2017**

**TO:** Honorable John Kuempel, Chair, House Committee on Licensing & Administrative Procedures

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2275** by Paddie (Relating to the regulation of a service contract.), **As Introduced**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 452 Department of Licensing and Regulation

**LBB Staff:** UP, CL, EH, JQ