(c) A well serving a subdivision requiring platting does not qualify for an exempt use.

(d) A well drilled on or before June 1, 2013, for any purpose authorized under this article is exempt from the requirement to obtain a withdrawal permit provided that the well:

(1) is not capable of producing more than 1,250 gallons of water a day; or

(2) is metered and does not produce more than 1.4 acre-feet of water in a calendar year.

SECTION 2. This Act takes effect September 1, 2013.

Passed the Senate on April 4, 2013: Yeas 31, Nays 0; passed the House on May 20, 2013: Yeas 147, Nays 0, two present not voting.

Approved June 14, 2013.

Effective September 1, 2013.

CHAPTER 784

S.B. No. 1251

AN ACT

relating to authorized charges and terms for certain consumer loans.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 342.002, Finance Code, is amended by adding Subsection (d) to read as follows:

(d) Interest under the scheduled installment earnings method or true daily earnings method may not be compounded.

SECTION 2. The heading to Section 342.201, Finance Code, is amended to read as follows:

Sec. 342.201. MAXIMUM INTEREST CHARGE AND ADMINISTRATIVE FEE.

SECTION 3. Section 342.201, Finance Code, is amended by amending Subsection (f) and adding Subsection (g) to read as follows:

(f) A loan contract under this subchapter may provide for an administrative fee in an amount not to exceed $25 for a loan of more than $1,000 or $20 for a loan of $1,000 or less. The administrative fee is considered earned when the loan is made or refinanced and is not subject to refund. An administrative fee is not interest. A lender refinancing the loan may not contract for or receive an administrative fee for the loan more than once in any 180-day period, except that if the loan has an interest charge authorized by Subsection (e) the lender may not contract for or receive the administrative fee more than once in any 365-day period. One dollar of each administrative fee may be deposited with the comptroller for use in carrying out the finance commission’s responsibilities under Section 11.3055.

(g) The finance commission by rule may prescribe a reasonable maximum amount of an administrative fee for a loan contract under this subchapter that is greater than the maximum amount authorized by this section for the amount of the loan.

SECTION 4. Section 342.252, Finance Code, is amended to read as follows:

Sec. 342.252. ALTERNATE CHARGES [INTEREST CHARGE]. (a) Instead of the charges authorized by Section 342.201, a loan contract may provide for:

(1) on a cash advance of less than $30, an acquisition charge that is not more than $1 for each $5 of the cash advance;

(2) on a cash advance equal to or more than $30 but not more than $100:

(A) an acquisition charge that is not more than the amount equal to one-tenth of the amount of the cash advance; and

(B) an installment account handling charge that is not more than:

(i) $3 a month if the cash advance is not more than $35;
(ii) $3.50 a month if the cash advance is more than $35 but not more than $70; or
(iii) $4 a month if the cash advance is more than $70; or

(3) on a cash advance of more than $100:
   (A) an acquisition charge that is not more than $10; and
   (B) an installment account handling charge that is not more than the ratio of $4 a month for each $100 of cash advance.

(b) For an acquisition charge authorized by this subchapter, the finance commission by rule may prescribe a reasonable maximum amount for an acquisition charge that is greater than the maximum amount authorized by the applicable section of this subchapter for the amount of the cash advance.

(c) An acquisition charge under this subchapter is not interest.

SECTION 5. Section 342.255, Finance Code, is amended to read as follows:

Sec. 342.255. MAXIMUM LOAN TERM. The maximum scheduled term of a loan made under this subchapter is:

(1) for a loan of $100 or less, the lesser of:
   (A) one month for each multiple of $10 of cash advance; or
   (B) six months; and

(2) for a loan of more than $100, one month for each multiple of $20 of cash advance.

SECTION 6. Subsection (a), Section 342.352, Finance Code, is amended to read as follows:

(a) This section applies to a loan contract:

(1) that includes precomputed interest and to which Section 342.351 does not apply;
(2) that includes interest contracted for under Section 342.201 or 342.260; or
(3) that has a term of more than 60 months.

SECTION 7. Subchapter F, Chapter 342, Finance Code, is amended by adding Section 342.260 to read as follows:

Sec. 342.260. ALTERNATE INTEREST CHARGE COMPUTATION METHODS. (a) A loan contract under this subchapter may provide for an interest charge computed using the true daily earnings method or the scheduled installment earnings method that does not exceed the equivalent rate or effective return of the installment account handling charge for the original scheduled term of the loan.

(b) The principal balance of a loan contract authorized by this section may not include the acquisition charge, installment account handling charge, default charges, or deferment charges or the return check fees authorized by Section 3.506, Business & Commerce Code.

(c) Interest may accrue on the principal balance from time to time unpaid at the rate provided for by the contract until the date of payment in full or demand for payment in full.

(d) A payment on a loan contract authorized by this section shall be applied to the borrower's account in the following order or, at the lender's option, under another method of applying a payment that is more favorable to the borrower:

(1) the straight line allocation of the acquisition charge using the original scheduled term of the loan based on the proportional scheduled payment that was paid or scheduled to be paid;
(2) default charges authorized by Section 342.257;
(3) return check fees authorized by Section 3.506, Business & Commerce Code;
(4) any other charges authorized by this subchapter;
(5) accrued interest authorized by this section; and
(6) principal.

SECTION 8. The changes in law made by this Act apply only to a loan made on or after the effective date of this Act. A loan made before the effective date of this Act is governed
by the law in effect on the date the loan was made, and the former law is continued in effect
for that purpose.

SECTION 9. This Act takes effect September 1, 2013.

Passed the Senate on April 11, 2013: Yeas 31, Nays 0; the Senate concurred in House
amendment on May 20, 2013: Yeas 31, Nays 0; passed the House, with amend-
ment, on May 7, 2013: Yeas 140, Nays 4, two present not voting.

Approved June 14, 2013.

Effective September 1, 2013.

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CHAPTER 785

S.B. No. 1282

AN ACT
relating to deadlines for proposals for adoption by certain districts or authorities of desired future
conditions of relevant aquifers.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 36.108, Water Code, is amended by adding Subsection (d-5) to read
as follows:

(d-5) Notwithstanding Subsection (d) and regardless of the date on which a proposal may
have been voted on before September 1, 2013, a proposal for the adoption of desired future
conditions for the relevant aquifers within a management area is not required before May 1,
2016. This subsection does not prevent districts in a management area from voting on a
proposal for the adoption of desired future conditions for the relevant aquifers within their
management area before May 1, 2016. This subsection expires January 1, 2018.

SECTION 2. This Act takes effect September 1, 2013.

Passed the Senate on April 11, 2013: Yeas 31, Nays 0; passed the House on May 20,
2013: Yeas 147, Nays 0, two present not voting.

Approved June 14, 2013.

Effective September 1, 2013.

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CHAPTER 786

S.B. No. 1299

AN ACT
relating to powers of the West Harris County Regional Water Authority relating to certain wells.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 4.03, Chapter 414, Acts of the 77th Legislature, Regular Session,
2001, is amended by amending Subsection (d) and adding Subsections (d-1) and (d-2) to read
as follows:

(d) For wells located in Harris County or Fort Bend County, the board shall exempt from
the charge under Subsection (b) the classes of wells that are not subject to any groundwater
reduction requirement imposed by the Harris–Galveston Coastal Subsidence District or the
Fort Bend Subsidence District, as appropriate. If any of those classes of wells become
subject to a groundwater reduction requirement imposed by the Harris–Galveston Coastal
Subsidence District or the Fort Bend Subsidence District, as appropriate, the authority may
impose the charge under Subsection (b) on those wells. For purposes of this subsection, a
well is subject to a groundwater reduction requirement if the Harris–Galveston Coastal
Subsidence District or Fort Bend Subsidence District, as appropriate, has adopted or adopts