

Mayor and Council Communication

DATE: 09/01/20

M&C FILE NUMBER: M&C 20-0611

LOG NAME: 12CREDITACCESSBUSINESSAMEND20

SUBJECT

(ALL) Adopt an Ordinance Amending Chapter 20, "Licenses and Miscellaneous Business Regulations," Article XIII, "Credit Access Businesses" of the Code of the City of Fort Worth to Amend the Definition of Credit Access Business (Continued from a Previous Meeting)

RECOMMENDATION:

It is recommended that the City Council adopt the attached ordinance amending Chapter 20, "Licenses and Miscellaneous Business Regulations," Article XIII, "Credit Access Businesses" of the Code of the City of Fort Worth, to amend the definition of credit access business.

DISCUSSION:

On December 17, 2019, the City Council adopted Ordinance No. 23991-12-2019 to protect the welfare of the citizens of the City by monitoring credit access businesses (more commonly known as payday and auto title lenders) in an effort to reduce abusive and predatory lending practices. The ordinance establishes a registration program for credit access businesses, provides definitions for certain terms, imposes restrictions on extensions of consumer credit made by credit access businesses, and imposes recordkeeping requirements on credit access businesses. Upon the adoption of the ordinance the City joined over forty municipalities across Texas who had adopted a uniform ordinance regulating credit access businesses with the exception of the definition of a "credit access business."

The City Attorney's Office recommends amending the definition of "credit access business" to more closely align with the uniform ordinance adopted by other municipalities.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of this recommendation will have no material effect on City funds.

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