



STATE OF TEXAS

# OFFICE OF CONSUMER CREDIT COMMISSIONER

SAM KELLEY, Commissioner

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August 22, 1984 84-9

Mr. William H. Daniel  
McGinnis, Lochridge & Kilgore  
Fifth Floor, RepublicBank Building  
900 Congress Avenue  
Austin, Texas 78701

Dear Mr. Daniel:

This is to acknowledge receipt of your letter dated August 8, 1984 in which you request an interpretation by this office of certain provisions of Article 5069, V.T.C.S. The portion of your letter in which you state your inquiry is as follows:

"Does the term 'credit card' as used in Article 5069-1.01(g) and (i) and in the other sections added by SB 405 passed by the 68th Texas Legislature, apply to credit cards, as commonly understood, (i.e., a device which is not itself a draft but which is retained by the obligor for use in many transactions to imprint or code drafts mechanically) or does the definition include checks which may be used to access an open-end credit account, or other access devices which are not within the common understanding of the term 'credit card'?"

"In particular, various lenders offer open end credit programs which can be accessed by special checks or drafts, but which do not involve the use of a credit card in the ordinary sense, i.e., a card which would resemble a Visa, Mastercard or Sears Credit Card or have the reusable characteristics of such cards."

It is the position of this office that the term "credit card" as used in Articles 5069 - 1.01(g) and (i), V.T.C.S. does not apply to checks or drafts which may be used to access open-end credit programs. This view was expressed in an earlier letter interpretation issued by this office (please see Letter Interpretation No. 83-6, June 27, 1983, page 5). I

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am aware that it can be argued that the statute contains no clear indication of legislative intent that the definition of "credit card" should be so limited. However, because of personal involvement in the legislative process during the enactment of the relevant portions of Article 5069 and conversations with the legislators responsible for the legislation I have no doubt that their intent was for the "credit card" provisions to be applicable only to those transactions made pursuant to the use of a "credit card" as that term is commonly and ordinarily understood. Therefore, as stated above, it is the view of this office that the "credit card" provisions in Articles 5069 - 1.01(g) and (i) are not applicable to checks and/or drafts used to access an open-end credit account.

Sincerely,



Sam Kelley  
Consumer Credit Commissioner

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