



STATE OF TEXAS

OFFICE OF CONSUMER CREDIT COMMISSIONER

AL ENDSLEY, Commissioner

2601 NORTH LAMAR
AUSTIN, TEXAS 78705-4207

(512) 479-1280
(214) 273 2016
(713) 461-4074
FAX (512) 479-1293

Writer's Direct Number:

512/479-1291

March 30, 1993

RQ-92-4

Mr. A. M. Zavoina
Vice President
First National Bank
P. O. Box 937
Killeen, TX 76540

Dear Mr. Zavoina:

RE: First Installment Due Dates - Article 3.16 Loans

You have written asking for "... an official ruling as to the scheduling of first payments on loans funded according to Article 3.16."

Administrative rule 7 TAC 1.92 contains two sentences which address very explicitly the scheduling of first payments. They read as follows:

"Loans made under Article 3.16 repayable in substantially equal monthly installments may not have a contracted installment due date less than one full month from the date of the loan."

"The first installment due date may be set beyond one month without charge on loans made under Article 3.16 only if the extended period beyond one month would not result in the term of the loan exceeding the maximum term prescribed under the Article."

These provisions were adopted in 1972 by the Finance Commission of Texas and, I believe, represent agency policy dating back to 1963.

Article 6252-13a, Sec. 11, Vernon's Texas Civil Statutes, (Administrative Procedure and Texas Register Act) provides that "any interested person may petition an agency requesting the adoption of a rule." This language is believed to encompass and authorize petitions for

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amendment or repeal of rules. The Commission has no formal requirements as to Sec. 11 petitions. A concise letter setting out a proposed rule or amendment along with the reasons for the proposal would be acceptable, if you want to pursue a further review of this matter.

Sincerely,



Al Endsley

AE:jjm

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This interpretation was approved by the Finance Commission of Texas at its meeting on March 30, 1993, pursuant to Article 5069-2.02A(10), Vernon's Texas Civil Statutes.