



August 10, 2015

Ms. Leslie Pettijohn
Commissioner
Texas Office of Consumer Credit Commissioner
2601 N. Lamar Blvd.
Austin, TX 78705

Re: Texas OCCC 2015 Plain Language Rule Review Precomment Draft

Dear Ms. Pettijohn:

On behalf of the American Financial Services Association (“AFSA”),¹ thank you for the opportunity to precomment on the Office of Consumer Credit Commissioner’s (OCCC) draft proposed rule amendments to the plain language non-standard contract submission procedures and plain language contracts for motor vehicle installment sales.

We appreciate the OCCC’s consideration of a delayed implementation dates for certain provisions of the proposed rule amendments. AFSA respectfully requests that the OCCC set a delayed implementation date for changes to the motor vehicle installment sales contract, such as the updated OCCC notice specified in Section 86.101. A delayed implementation date for changes to the contract would give companies subject to the rule’s requirements sufficient enough time to allow for stock depletion and programming changes.

In the proposed rule amendments, Sections 84.802(b) and 90.104(b) require non-standard contracts to be accompanied by a certification that includes a “list of the typefaces used in the contract, the font sizes used in the contract, and the Flesch-Kincaid Grade Level score of the contract.” We ask that the OCCC clarify how detailed this list must be, in particular, whether the certification must include a listing of *all* specific disclosures and headings that vary from the standard font size.

We would also like further clarification regarding the Flesch-Kincaid Grade Level score required by Sections 84.802(c) and 90.104(c) of the proposed rule amendments. The sections stipulate that the “Flesch-Kincaid Grade Level score of the contract must be based on the Microsoft Word version.” However, the amendments do not specify whether the Flesch-Kincaid Grade Level score obtained through Microsoft Word’s readability statistic functionality is sufficient, or whether there is another certification or special program that the OCCC requires to obtain the score. We believe the proposed rules would benefit from this clarification.

¹ Founded in 1916, the American Financial Services Association (AFSA), based in Washington, D.C., is the primary trade association for the consumer credit industry, protecting access to credit and consumer choice. AFSA members provide consumers with many kinds of credit, including traditional installment loans, mortgages, direct and indirect vehicle financing, payment cards, and retail sales finance. AFSA members do not provide payday or vehicle title loans.

Thank you in advance for your consideration. We appreciate the opportunity to work with the OCCC throughout the rulemaking process. If you have any questions or would like to discuss this further, please do not hesitate to contact me at 952-922-6500 or dfagre@afsamail.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'Danielle Fagre Arlowe', written in a cursive style.

Danielle Fagre Arlowe
Senior Vice President, State Government Affairs
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