

## Texas:

### I. Introducing Texas

State Population: <sup>1</sup>	28,240,245
Poverty Rate: <sup>2</sup>	The poverty rate fell from 17.2% in 2014 to 15.9% in 2015. This marked 268,000 fewer people being classified as “poor.”
Unemployment Rate: <sup>3</sup>	4.8% (The U.S. unemployment rate is 4.9%)
Total State Debt: <sup>4</sup>	\$41,855,106,000
Debt per capita: <sup>5</sup>	\$1,664.51
Average Credit Score: <sup>6</sup>	The average credit score in Texas is 657, which is considered poor.
Student Loan Debt: <sup>7</sup>	\$27,324 per person on average (31st worst in the country)
Median Household Income:	\$56,473 (2015)
Rent vs. Own: <sup>8</sup>	3,808,592 (rent) vs 26,868,785 (own)

### II. Analysis of Payday Loans in Texas

Legal Status: <sup>9</sup>	Legal (Credit Access Businesses)
Number of Payday Loan Companies: <sup>10</sup>	1,675

<sup>1</sup> “Texas Population” Texas Health and Human Services. Accessed March 20, 2017.

<https://www.dshs.texas.gov/chs/popdat/ST2016p.shtm>

<sup>2</sup> “Rising Wages Lift Texas Poor, But Almost 1 in 4 Kids Still in Poverty” The Texas Tribune. Accessed March 20, 2017.

<https://www.texastribune.org/2016/09/15/there-are-fewer-poor-texans-almost-1-4-children-st/>

<sup>3</sup> “Economy at a Glance: Texas” Bureau of Labor Statistics. Accessed March 20, 2017.

<https://www.bls.gov/eag/eag.tx.htm>

<sup>4</sup> “State Debt” Ballotpedia. Accessed March 6, 2017. [https://ballotpedia.org/State\\_debt](https://ballotpedia.org/State_debt)

<sup>5</sup> “State Debt” Ballotpedia. Accessed March 6, 2017. [https://ballotpedia.org/State\\_debt](https://ballotpedia.org/State_debt)

<sup>6</sup> “Is your credit score better or worse than the Alabama average?” Alabama Media Group. Accessed March 6, 2017.

[http://www.al.com/news/index.ssf/2016/02/is\\_your\\_credit\\_score\\_better\\_or.html](http://www.al.com/news/index.ssf/2016/02/is_your_credit_score_better_or.html)

<sup>7</sup> “State by State Data” The Institute for College Access & Success. Accessed March 6, 2017.

<http://ticas.org/posd/map-state-data#>

<sup>8</sup> “Quick Facts: Resident Demographics” National Multifamily Housing Council. Accessed March 6, 2017. <http://www.nmhc.org/Content.aspx?id=4708>

<sup>9</sup> “Payday Lending State Statutes” National Conference of State Legislatures. Accessed 6, 2017.

<http://www.ncsl.org/research/financial-services-and-commerce/payday-lending-state-statutes.aspx>

<sup>10</sup> “McDonald’s vs. Payday Lenders” California State University Northridge. Accessed March 6, 2017. [http://www.csun.edu/~sg4002/research/mcdonalds\\_by\\_state.htm](http://www.csun.edu/~sg4002/research/mcdonalds_by_state.htm)

Number of McDonald's: <sup>11</sup>	834
Payday Lenders per 100,000 people: <sup>12</sup>	8.03
Number of Payday Loans Taken Out: <sup>13</sup>	2,238,938 new loans in 2012 (\$1,077,603,548) with 3,622,957 loans renewed or refinanced.
Average Loan Amount: <sup>14</sup>	\$468
Average Fee per Loan:	\$22.85
Maximum Loan Amount: <sup>15</sup>	None specified.
Minimum Length of Loan:	10 days
Loan Term:	Up to 180 days for a CAB agreement
Fees and Finance Charges:	No cap on Credit Access Businesses. Lender interest capped at 10%.
Finance Charge on a 14-day \$100 Loan:	No cap.
APR on a 14-day \$100 Loan: <sup>16</sup>	There's no cap, but the Regulator reports an average cost of 410%.
Maximum # of Outstanding Loans at a Time:	None specified.
Criminal Action:	Prohibited unless fraud or forgery.
Collection Fees:	Lenders can charge a late fee of 5% of payment or \$7.50, whichever is higher.

### III. Analysis of Title Loans in Texas

Total Title Loan Fees: <sup>17</sup>	\$432,068,934
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<sup>11</sup> "McDonald's vs. Payday Lenders" California State University Northridge. Accessed March 6, 2017. [http://www.csun.edu/~sg4002/research/mcdonalds\\_by\\_state.htm](http://www.csun.edu/~sg4002/research/mcdonalds_by_state.htm)

<sup>12</sup> "McDonald's vs. Payday Lenders" California State University Northridge. Accessed March 6, 2017. [http://www.csun.edu/~sg4002/research/mcdonalds\\_by\\_state.htm](http://www.csun.edu/~sg4002/research/mcdonalds_by_state.htm)

<sup>13</sup> "The State of Payday and Auto Title Lending in Texas" Center for Public Policy Priorities. Accessed March 20, 2017.

[http://forabettertexas.org/images/EO\\_2013\\_09\\_StateofPayday\\_final\\_FINAL.pdf](http://forabettertexas.org/images/EO_2013_09_StateofPayday_final_FINAL.pdf)

<sup>14</sup> "The State of Payday and Auto Title Lending in Texas" Center for Public Policy Priorities. Accessed March 20, 2017.

[http://forabettertexas.org/images/EO\\_2013\\_09\\_StateofPayday\\_final\\_FINAL.pdf](http://forabettertexas.org/images/EO_2013_09_StateofPayday_final_FINAL.pdf)

<sup>15</sup> "Texas State Information" Payday Loan Consumer Information. Accessed March 6, 2017.

<http://www.paydayloaninfo.org/state-information/51>

<sup>16</sup> "Texas State Information" Payday Loan Consumer Information. Accessed March 20, 2017.

<http://www.paydayloaninfo.org/state-information/51>

<sup>17</sup> "Payday and Car Title Lenders Drain \$8 Billion in Fees Every Year" Center for Responsible Lending. Accessed February 15, 2017.

[http://responsiblelending.org/sites/default/files/nodes/files/research-publication/crl\\_statebystate\\_fee\\_drain\\_may2016\\_0.pdf](http://responsiblelending.org/sites/default/files/nodes/files/research-publication/crl_statebystate_fee_drain_may2016_0.pdf)

	vs \$1,240,697,188 (Payday Loan Fees)
Legality of Title Loans:	Legal
Average Rate of Title Loans:	577% per year
Number of Title Loan Companies: <sup>18</sup>	1,776
Population per Lender: <sup>19</sup>	10,293
Number of Title Loans Taken Out: <sup>20</sup>	152,544
Average Loan Amount:	\$990
Maximum Loan Amount:	No limit

#### IV. Regulating Payday and Title Lenders in Texas

Legal Assistance: Texas Appleseed	<a href="https://www.texasappleseed.net/index.php">https://www.texasappleseed.net/index.php</a>
Regulator: Texas Office of Consumer Credit Commissioner	Address: P2601 N. Lamar Blvd. Austin, TX 78705
	Phone: (512) 936-7600
	Fax:
	Website: <a href="http://occc.texas.gov/">http://occc.texas.gov/</a>
State Information:	Website: <a href="https://texas.gov/">https://texas.gov/</a>

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<sup>18</sup> "Driven to Disaster: Car-Title Lending and Its Impact on Consumers" CFA. Accessed February 15, 2017.

<http://www.responsiblelending.org/other-consumer-loans/car-title-loans/research-analysis/CR-L-Car-Title-Report-FINAL.pdf>

<sup>19</sup> "Driven to Disaster: Car-Title Lending and Its Impact on Consumers" CFA. Accessed February 15, 2017.

<http://www.responsiblelending.org/other-consumer-loans/car-title-loans/research-analysis/CR-L-Car-Title-Report-FINAL.pdf>

<sup>20</sup> "Car-Title Lending" Center for Responsible Lending. Accessed February 13, 2017.

<https://www.tml.org/p/Center%20For%20Responsible%20Lending%20Car%20Title%20Loans%20Report.pdf>

**References:**