



Texas Governor Signs H.B. 700; New York Legislature Passes FAIR Business Practices Act

June 30th, 2025 | and [Eric D. Mulligan](#)

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On June 20, 2025, Texas Governor Greg Abbott signed [House Bill 700](#), which regulates sales-based financing transactions and requires providers and brokers of sales-based financing transactions to register with the Texas Office of Consumer Credit Commissioner. The law also bans sales-based financing providers from automatically debiting customer bank accounts in most circumstances. The law will go into effect on September 1, 2025.

On June 17, 2025, the New York legislature passed [Assembly Bill 8427-A](#), the “Fostering Affordability and Integrity Through Reasonable (FAIR) Business Practices Act.” The bill heads to the desk of New York Governor Kathy Hochul.

The New York attorney general’s office [initiated the bill](#), seeking additional authority in the wake of cuts at the federal Consumer Financial Protection Bureau. The FAIR Business Practices Act grants the AG’s office expanded authority over business-to-business transactions, which is beyond the scope of the CFPB’s authority. The FAIR Business Practices Act grants authority to the AG’s office to:

- police unfair, deceptive, and abusive acts and practices in the conduct of any business; and
- bring an action against any person that is: (1) physically located outside the state of New York and conducts any business, trade, or commerce or furnishes a service within the state of New York; and/or (2) physically located inside the state of New York and conducts any business, trade, or commerce or furnishes a service to persons who are not within the state of New York.

Authorizing the AG’s office to police transactions with citizens of other states will likely invite court challenges.

The FAIR Business Practices Act also provides for a private right of action to receive the greater of actual damages or \$50 and grants court authority to award treble damages up to \$1,000 and attorney’s fees to a prevailing plaintiff. Governor Hochul has until December 31, 2025, to sign or veto the bill. The bill would take effect on the 60th day after it becomes a law.