

By: Parker

S.B. No. 2146

A BILL TO BE ENTITLED

AN ACT

relating to oversight by the comptroller of financial institution
divestments from certain industries.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 403, Government Code, is
amended by adding Section 403.0302 to read as follows:

Sec. 403.0302. OVERSIGHT OF DIVESTMENTS IN CERTAIN
INDUSTRIES. (a) The comptroller shall require a financial
institution that operates a mutual fund to periodically submit a
statement to the comptroller stating whether the financial
institution has divested or intends to divest from the mutual fund
investments in a company that engages in the exploration,
production, utilization, transportation, sale, or manufacturing of
fossil fuel-based energy.

(b) The comptroller shall adopt rules to:

(1) prescribe the requirements for a financial
institution to comply with the requirements of Subsection (a);

(2) require a financial institution that chooses to
divest from investments described by Subsection (a) to place a mark
prescribed by the comptroller on prospectus documents that
signifies the institution's choice to divest; and

(3) provide a penalty for financial institutions that
fail to submit a statement required under Subsection (a).

SECTION 2. The comptroller shall adopt rules as required by

S.B. No. 2146

1 Section 403.0302, Government Code, as added by this Act, not later
2 than January 1, 2024.

3 SECTION 3. This Act takes effect September 1, 2023.