

By: Carona

S.B. No. 1133

A BILL TO BE ENTITLED

AN ACT

1
2 relating to automatic withdrawals by electronic funds transfer from
3 a person's account with a financial institution; providing a
4 criminal penalty.

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

6 SECTION 1. Subchapter D, Chapter 35, Business & Commerce
7 Code, is amended by adding Section 35.58 to read as follows:

8 Sec. 35.58. (a) In this section, "financial institution"
9 means a state or national bank, state or federal savings and loan
10 association, state or federal savings bank, or state or federal
11 credit union doing business in this state.

12 (b) A third party who is providing goods or services to a
13 consumer and is authorized by the consumer to make automatic
14 withdrawals by electronic funds transfer from the consumer's
15 account with a financial institution commits an offense if the
16 third party receives written notification from the consumer
17 revoking the authorization and the third party continues to make
18 automatic withdrawals from the account.

19 (c) An offense under this section is a Class B misdemeanor.

20 SECTION 2. This Act takes effect September 1, 2003.