

BILL ANALYSIS

H.B. 3219
By: Elkins
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Chapter 3 of the Texas Business & Commerce Code (Article 3 of the Uniform Commercial Code) governs negotiable instruments. Chapter 3 was amended by S.B. 1563 passed by the 2005 Texas Legislature. The 2005 amendments were based on suggested uniform text changes recommended to all states by the National Conference of Commissioners on Uniform State Laws. H.B. 3219 contains technical amendments to remove defined terms from Chapter 3 that are no longer used and to replace inadvertently included non-uniform text with uniform text, all of which resulted from the 2005 amendments.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Section 3.103(a)(2), Business & Commerce Code, to eliminate the definition of the term "consumer account."

SECTION 2. Amends Section 3.103(b), Business & Commerce Code, to eliminate a cross-reference to the definition of the term "demand draft."

SECTION 3. Corrects Section 3.605(g), Business & Commerce Code, to restore its language to the uniform text of the Uniform Commercial Code.

SECTION 4. Repeals Section 3.104(k), Business & Commerce Code, to eliminate the definition of the term "demand draft" contained therein.

SECTION 5. Provides that the effective date is September 1, 2007.

EFFECTIVE DATE

September 1, 2007.