

By: Solomons

H.B. No. 944

A BILL TO BE ENTITLED

AN ACT

relating to location of certain financial institution branches.

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

SECTION 1. Section 31.002(a), Finance Code, is amended by adding Subdivision (10-a) to read as follows:

(10-a) "Commercial activity" means an activity in which a bank holding company, financial holding company, national bank, or national bank financial subsidiary may not engage under United States law.

SECTION 2. Section 32.203, Finance Code, is amended by adding Subsection (c) to read as follows:

(c) A state bank may not establish or maintain a branch on the premises or property of an affiliate if the affiliate engages in a commercial activity.

SECTION 3. Section 92.063, Finance Code, is amended by adding Subsection (d) to read as follows:

(d) A savings bank may not establish or maintain an office on the premises or property of an affiliate if the affiliate engages in a commercial activity.

SECTION 4. Section 203.002, Finance Code, is amended by adding Subsection (d) to read as follows:

(d) A depository institution may not establish or maintain a branch in this state on the premises or property of an affiliate if the affiliate engages in a commercial activity.

1 SECTION 5. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2007.