

BILL ANALYSIS

H.B. 3075
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Judiciary & Civil Jurisprudence
Committee Report (Unamended)

BACKGROUND AND PURPOSE

In its current form, Chapter XI, Texas Probate Code, does not allow a party to authorize a convenience signer to make transactions on the party's bank account unless the party sets up a "convenience account." Both the banking industry and Texas consumers have expressed the desire to allow this function. If the account is a multiple-party account, then all account owners must authorize and designate the convenience signer(s).

H.B. 3075 authorizes an account established by one or more parties at a financial institution that is not designated as a convenience account, but is instead designated as a single-party account or another type of multiple-party account, to provide that the money on deposit may be paid or delivered to the parties or to one or more convenience signers for the convenience of the parties. The bill updates the single-party or multiple-party account selection form to reflect this change.

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

H.B. 3075 amends the Texas Probate Code to authorize an account established by one or more parties at a financial institution that is not designated as a convenience account, but is instead designated as a single-party account or another type of multiple-party account, to provide that the money on deposit may be paid or delivered to the parties or to one or more convenience signers for the convenience of the parties. The bill provides that, subject to a provision on the right of survivorship, provisions on a convenience account apply to an account described above including provisions relating to the ownership of the account during the lifetimes and on the deaths of the parties and provisions relating to the powers and duties of the financial institution at which the account is established and provides that any other law relating to a convenience signer applies to a convenience signer designated as described above to the extent the law applies to a convenience signer on a convenience account. The bill establishes that, on the death of the last surviving party to an account described above, that has a convenience signer, the convenience signer does not have a right of survivorship in the account and the estate of the last surviving party owns the account unless the convenience signer is also designated as a P.O.D. payee or as a beneficiary.

H.B. 3075 adds to the uniform single-party or multiple-party account selection form notice language relating to the designation of a convenience signer on an account, even if the account is not a convenience account.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.