

BILL ANALYSIS

S.B. 192
By: Carona
Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties report that various legislative enactments over time have resulted in inaccurate references to the laws governing the authority of the Texas Department of Banking to obtain criminal background checks on the entities and individuals regulated by the department. In addition, these parties note that, while department employees are currently subject to a criminal background check because of their regular use of confidential personal and financial information of customers of financial institutions, the banking commissioner's authority to obtain such criminal background checks is not explicitly stated. They also note that a recent legislative enactment included an assessment of an applicant's character in the qualifications for issuance of a certificate of authority to operate a perpetual care cemetery, a determination that could be facilitated by obtaining the applicant's criminal history.

The parties contend that the department's authority to obtain criminal background checks on the entities and individuals it regulates would be enhanced by correcting and clarifying references in statute to the entities and individuals on whom the banking commissioner has the authority to obtain criminal history information and by adding the authority to obtain such information on perpetual care cemetery applicants. S.B. 192 seeks to preserve the integrity and safety of the financial service systems regulated by the state by making such corrections, clarifications, and additions.

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

S.B. 192 amends the Government Code to establish that the banking commissioner is entitled to obtain from the Department of Public Safety (DPS) criminal history record information maintained by DPS relating to a person who is an applicant for a license, charter, or other authority granted or issued by the banking commissioner under Finance Code provisions relating to trust companies, bank holding companies, interstate bank operations, the regulation of money services businesses, and under Health and Safety Code provisions relating to perpetual care cemeteries. The bill establishes that the banking commissioner is entitled to such information relating to a person who is an employee of or an applicant for employment or volunteer with the Texas Department of Banking or who is a contractor or subcontractor of that department.

EFFECTIVE DATE

September 1, 2013.