

By: Herrero

H.B. No. 4431

A BILL TO BE ENTITLED

AN ACT

relating to clarifying the liability of certain financial institutions that offer remote deposit capture.

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

SECTION 1. Subchapter A, Chapter 59, Finance Code, is amended by adding Section 59.013 to read as follows:

Sec. 59.013. LIABILITY FOR REMOTE DEPOSIT CAPTURE. (a) In this section, "remote deposit capture" means a method that allows a bank to accept a deposit using an electronic image instead of the original physical check.

(b) A bank that offers remote deposit capture is liable for any loss suffered by another person that results from the use of the bank's remote deposit capture.

SECTION 2. Subchapter A, Chapter 89, Finance Code, is amended by adding Section 89.009 to read as follows:

Sec. 89.009. LIABILITY FOR REMOTE DEPOSIT CAPTURE. (a) In this section, "remote deposit capture" means a method that allows an association to accept a deposit using an electronic image instead of the original physical check.

(b) An association that offers remote deposit capture is liable for any loss suffered by another person that results from the use of the association's remote deposit capture.

SECTION 3. Subchapter A, Chapter 119, Finance Code, is amended by adding Section 119.009 to read as follows:

1 Sec. 119.009. LIABILITY FOR REMOTE DEPOSIT CAPTURE. (a) In
2 this section, "remote deposit capture" means a method that allows a
3 savings bank to accept a deposit using an electronic image instead
4 of the original physical check.

5 (b) A savings bank that offers remote deposit capture is
6 liable for any loss suffered by another person that results from the
7 use of the bank's remote deposit capture.

8 SECTION 4. Chapter 149, Finance Code, is amended by adding
9 Section 149.003 to read as follows:

10 Sec. 149.003. LIABILITY FOR REMOTE DEPOSIT CAPTURE. (a) In
11 this section, "remote deposit capture" means a method that allows a
12 credit union to accept a deposit using an electronic image instead
13 of the original physical check.

14 (b) A credit union that offers remote deposit capture is
15 liable for any loss suffered by another person that results from the
16 use of the credit union's remote deposit capture.

17 SECTION 5. The changes in law made by this Act apply only to
18 a cause of action that accrues on or after the effective date of
19 this Act. A cause of action that accrues before the effective date
20 of this Act is governed by the law in effect on the date the cause of
21 action accrued, and the former law is continued in effect for that
22 purpose.

23 SECTION 6. This Act takes effect September 1, 2019.