

By: Muñoz, Jr.

H.B. No. 4624

A BILL TO BE ENTITLED

AN ACT

Relating to civil liability of fiduciary or affiliate for failure to disclose benefits in relation to the affairs of the beneficiary

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

SECTION 1. Section 17.45, Texas Business & Commerce Code, is amended by adding Section 17.45 (17) to read as follows:

(17) "Affiliate" shall have the same meaning as "Affiliate" under Section 1.002(1) of the Texas Business Organizations Code.

SECTION 2. Section 17.46(b), Texas Business & Commerce Code, is amended by adding Section 17.46 (b)(34) to read as follows:

(34) failing by a fiduciary, or his affiliate, to disclose to or obtain the consent of the beneficiary to the fiduciary's or affiliate's solicitation, offer of acceptance, or acceptance of any fee, benefit, or other item of value from another person providing or proposing to provide goods or services to the beneficiary on agreement or understanding that the fee, benefit, or other item of value will influence the conduct of the fiduciary or his affiliate in relation to the affairs of his or her beneficiary; provided that this subdivision may not be construed to prohibit a fiduciary or affiliate from recommending a particular good or service to his or her beneficiary or from conferring or accepting non-monetary benefits which are conferred or received by the fiduciary or affiliate in connection with industry trade fairs or

H.B. No. 4624

1 educational programs.

2 SECTION 3. This Act takes effect on September 1, 2019.