

By: Guillen, Lopez of Cameron

H.B. No. 1552

A BILL TO BE ENTITLED

AN ACT

relating to the limitation of liability of a financial institution
acquiring a trustee financial institution.

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

SECTION 1. Subchapter A, Chapter 114, Property Code, is
amended by adding Section 114.009 to read as follows:

Sec. 114.009. LIABILITY OF ACQUIRING FINANCIAL
INSTITUTION. (a) In this section, "financial institution" has the
meaning assigned by Section 201.101, Finance Code.

(b) The aggregate liability of an acquiring financial
institution that accepts the trusts for which a financial
institution merged with or acquired by the financial institution
serves as trustee is limited to the lesser of:

(1) \$10 million; or

(2) the aggregate value of all distributions of trust
property made by any predecessor trustee, including the financial
institution merged into or acquired by the acquiring financial
institution, in all trusts before the acquiring financial
institution's acceptance of the trusts.

(c) Subsection (b) applies only to liability for conduct of
a predecessor trustee.

SECTION 2. Section 114.009, Property Code, as added by this
Act, applies only to an action filed against a financial
institution on or after the effective date of this Act.

1 SECTION 3. This Act takes effect September 1, 2023.