

## **BILL ANALYSIS**

Senate Research Center  
89R11043 BCH-F

H.B. 3806  
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Business & Commerce  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Under current law, the banking commissioner may appoint a supervisor to oversee a state trust company deemed to be in a hazardous condition. During the period of supervision, certain activities are restricted and may not be undertaken without prior approval from either the banking commissioner or the appointed supervisor.

H.B. 3806 would close a loophole by requiring prior approval before a trust can issue any type of dividend, such as Bitcoin, to its shareholders. It would also prohibit the trust from engaging in any activity that the commissioner deems unsafe or unsound. These revisions would align this section of the Finance Code with regulations governing other entities under the Department of Banking's jurisdiction. H.B. 3806 would help safeguard clients, investors, and the overall stability of the financial system.

H.B. 3806 amends current law relating to prohibited activities of a state trust company under supervision.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 185.106, Finance Code, as follows:

Sec. 185.106. DUTIES OF STATE TRUST COMPANY UNDER SUPERVISION. Prohibits a state trust company, during a period of supervision, without the prior approval of the banking commissioner of Texas (banking commissioner) or the supervisor or as otherwise permitted or restricted by the order of supervision, from taking certain actions, including paying a dividend, rather than a cash dividend, to the state trust company's shareholders or participants; or engaging in any other activity determined by the banking commissioner to threaten the safety and soundness of the state trust company. Makes nonsubstantive changes.

SECTION 2. Effective date: September 1, 2025.