

1-1 By: Lambert (Senate Sponsor - Zaffirini) H.B. No. 3804
1-2 (In the Senate - Received from the House April 30, 2025;
1-3 May 1, 2025, read first time and referred to Committee on Business
1-4 & Commerce; May 15, 2025, reported favorably by the following vote:
1-5 Yeas 11, Nays 0; May 15, 2025, sent to printer.)

1-6 COMMITTEE VOTE

1-7	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to the regulation of state banks.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Section 31.002(a)(15), Finance Code, is amended
1-24 to read as follows:

1-25 (15) "Deposit" means the establishment of a
1-26 debtor-creditor relationship represented by the agreement of the
1-27 deposit debtor to act as a holding, paying, or disbursing agent for
1-28 the deposit creditor. The term:

1-29 (A) includes:

1-30 (i) an unpaid balance of money that is
1-31 received by the deposit debtor in the usual course of business in
1-32 exchange for conditional or unconditional credit to a commercial,
1-33 checking, savings, or time account of the deposit creditor or the
1-34 creditor's designee, or that is evidenced by a certificate of
1-35 deposit or similar instrument, a certified check or draft drawn
1-36 against a deposit account, or a letter of credit or traveler's check
1-37 on which the deposit debtor is primarily liable, but excluding an
1-38 obligation arising under Chapter 152 ~~[151]~~;

1-39 (ii) money or credit given for money
1-40 received by the deposit debtor in the usual course of business for a
1-41 special purpose, including money:

1-42 (a) held as escrow money, as security
1-43 for an obligation due to the deposit debtor or another person, or as
1-44 security for a loan;

1-45 (b) left with a deposit debtor by a
1-46 deposit creditor to meet maturing obligations that are not yet due;
1-47 and

1-48 (c) held by the deposit debtor to meet
1-49 an acceptance or letter of credit;

1-50 (iii) an outstanding draft, cashier's
1-51 check, money order, or other officer's check issued by the deposit
1-52 debtor in the usual course of business for any purpose, including
1-53 payment for services, dividends, or purchases; and

1-54 (iv) an obligation that the finance
1-55 commission by rule defines as a deposit liability, except that the
1-56 term may not include money received for immediate application to
1-57 reduction of an indebtedness; and

1-58 (B) does not include an obligation that this
1-59 subtitle or finance commission rule determines not to be a deposit
1-60 liability.

1-61 SECTION 2. Section 33.005, Finance Code, is amended to read

2-1 as follows:

2-2 Sec. 33.005. EXEMPTIONS. The following acquisitions are
2-3 exempt from Section 33.001:

2-4 (1) an acquisition of securities in connection with
2-5 the exercise of a security interest or otherwise in full or partial
2-6 satisfaction of a debt previously contracted for in good faith and
2-7 the acquiring person files written notice of acquisition with the
2-8 banking commissioner before the person votes the securities
2-9 acquired;

2-10 (2) unless the banking commissioner provides
2-11 otherwise in writing, an acquisition of voting securities in any
2-12 class or series by a controlling person who~~+~~

2-13 ~~[(A)]~~ was identified as a controlling person of
2-14 the ~~[in a]~~ state bank in a prior application filed with and approved
2-15 by the banking commissioner and:~~+~~

2-16 (A) ~~[(B)]~~ has from the date of receipt of
2-17 approval under this subchapter continuously held power to vote 25
2-18 percent or more of any class of voting securities of the state bank;
2-19 or

2-20 (B) ~~[(C)]~~ is considered to have from the date of
2-21 receipt of approval under this subchapter continuously controlled
2-22 the state bank under Section 33.001(b);

2-23 (3) an acquisition or transfer by operation of law,
2-24 will, or intestate succession and the acquiring person files
2-25 written notice of acquisition with the banking commissioner before
2-26 the person votes the securities acquired;

2-27 (4) a transaction subject to Chapter 202 if:

2-28 (A) the acquiring bank holding company currently
2-29 owns and controls a state bank; or

2-30 (B) the post-transaction controlling person is
2-31 identified as the controlling person in a merger or other
2-32 acquisition-related application filed with the banking
2-33 commissioner concurrently with the submission required by Section
2-34 202.001; and

2-35 (5) a transaction exempted by the banking commissioner
2-36 or by rules adopted under this subtitle because the transaction is
2-37 not within the purposes of this subchapter or the regulation of the
2-38 transaction is not necessary or appropriate to achieve the
2-39 objectives of this subchapter.

2-40 SECTION 3. Section 35.106, Finance Code, is amended to read
2-41 as follows:

2-42 Sec. 35.106. AUTHORITY OF SUPERVISOR. During a period of
2-43 supervision, a bank, without the prior approval of the banking
2-44 commissioner or the supervisor or as otherwise permitted or
2-45 restricted by the order of supervision, may not:

2-46 (1) dispose of, sell, transfer, convey, or encumber
2-47 the bank's assets;

2-48 (2) lend or invest the bank's money;

2-49 (3) incur a debt, obligation, or liability;

2-50 (4) pay a ~~cash~~ dividend to the bank's shareholders;

2-51 (5) remove an executive officer or director, change
2-52 the number of executive officers or directors, or have any other
2-53 change in the position of executive officer or director; or

2-54 (6) engage in any other activity determined by the
2-55 banking commissioner to threaten the safety and soundness of the
2-56 bank.

2-57 SECTION 4. This Act takes effect immediately if it receives
2-58 a vote of two-thirds of all the members elected to each house, as
2-59 provided by Section 39, Article III, Texas Constitution. If this
2-60 Act does not receive the vote necessary for immediate effect, this
2-61 Act takes effect September 1, 2025.

2-62 * * * * *