

1-1 By: Ellis S.B. No. 1791
 1-2 (In the Senate - Filed March 13, 2015; March 24, 2015, read
 1-3 first time and referred to Committee on State Affairs;
 1-4 April 14, 2015, reported favorably by the following vote: Yeas 9,
 1-5 Nays 0; April 14, 2015, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
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 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to disclosures on selection or modification of an account
 1-20 by a customer of a financial institution.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 113.053, Estates Code, is amended to
 1-23 read as follows:

1-24 Sec. 113.053. REQUIRED DISCLOSURE; USE OF FORM[+
 1-25 DISCLOSURE]. (a) A financial institution shall disclose the
 1-26 information provided in this subchapter to a customer at the time
 1-27 the customer selects or modifies an account. A financial
 1-28 institution is considered to have [adequately] disclosed the
 1-29 information provided in this subchapter if:

1-30 (1) the financial institution uses the form provided
 1-31 by Section 113.052; and

1-32 (2) the customer places the customer's initials to the
 1-33 right of each paragraph of the form.

1-34 (b) If a financial institution varies the format of the form
 1-35 provided by Section 113.052, the financial institution may make
 1-36 disclosures in the account agreement or in any other form that
 1-37 [adequately] discloses the information provided by this
 1-38 subchapter. Disclosures under this subsection must:

1-39 (1) be given separately from other account
 1-40 information;

1-41 (2) be provided before account selection or
 1-42 modification;

1-43 (3) be printed in 14-point boldfaced type; and

1-44 (4) if the discussions that precede the account
 1-45 opening or modification are conducted primarily in a language other
 1-46 than English, be in that language.

1-47 (c) The financial institution shall notify the customer of
 1-48 the type of account the customer selected [If the customer receives
 1-49 adequate disclosure of the ownership rights to an account and the
 1-50 names of the parties are appropriately indicated, a financial
 1-51 institution may combine any of the provisions in, and vary the
 1-52 format of, the form and notices described in Section 113.052 in:

1-53 ~~[(1) a universal account form with options listed for~~
 1-54 ~~selection and additional disclosures provided in the account~~
 1-55 ~~agreement; or~~

1-56 ~~[(2) any other manner that adequately discloses the~~
 1-57 ~~information provided by this subchapter].~~

1-58 SECTION 2. This Act applies only to an account created or
 1-59 modified on or after the effective date of this Act. An account
 1-60 created or modified before the effective date of this Act is
 1-61 governed by the law in effect when the account was created or

2-1 modified, and the former law is continued in effect for that
2-2 purpose.

2-3 SECTION 3. This Act takes effect September 1, 2015.

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