

SUBJECT: Creating the Finance Code

COMMITTEE: State Affairs — favorable, with amendment

VOTE: 10 ayes — Wolens, Alvarado, Carter, Counts, Danburg, Hilbert, Hunter, Longoria, McCall, Ramsay

0 nays

5 absent — S. Turner, Brimer, Craddick, D. Jones, Stiles

WITNESSES: On — David Skarke, Texas Legislative Council

BACKGROUND : Under the Government Code, the Texas Legislative Council is required to make periodic revisions to Texas statutes to make them more accessible, understandable and usable without altering the sense, meaning or effect of the law. As part of this process, the Legislative Council reclassifies and rearranges statutes in a more logical order; employs a numbering system and format that will accommodate future expansion of the law; eliminates repealed, invalid and duplicative provisions; and improves the draftsmanship of the law.

DIGEST: HB 10 would combine various Texas statutes relating to financial institutions and services into a Finance Code. This would be a nonsubstantive revision of the Texas statutes relating to finance, including the Texas Banking Act, the Texas Savings and Loan Act, the Texas Savings Bank Act, and the Texas Credit Union Act.

The Texas Finance Code would be divided into the following sections: General Provisions; Financial Regulatory Agencies; Financial Institutions and Businesses; Regulation of Interest, Loans, and Financed Transactions; and Protection of Consumers of Financial Services.

HB 10 would not include any substantive revisions to the law. If a source statute was ambiguous and the ambiguity could not be resolved without making a substantive change, the ambiguity would be preserved.

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NOTES: The committee amendment would make revisions to conform to current law.

The companion bill, SB 1807 by Armbrister, was reported favorably by the Senate Administration Committee on April 18 and is scheduled for Senate consideration on today's Local and Uncontested Calendar.