

BILL ANALYSIS

Senate Research Center

S.B. 689
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Economic Development
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As Filed

DIGEST

Currently, the Sale of Check Act regulates a person or business selling checks and requires them to be licensed to conduct a regulated activity. However, businesses that transfer funds electronically are also captured under the Act. S.B. 689 would exempt qualified persons, who operate electronic bill payment services, from the licensing requirement in the Sale of Check Act.

PURPOSE

As proposed, S.B. 689 exempts certain persons in the businesses of electronic funds transfers from the Sale of Checks Act.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 152.002, Finance Code, by defining “account.” Makes conforming changes.

SECTION 2. Amends Section 152.202, Finance Code, by providing that Section 152.201 does not apply to any transfer of funds that is subject to 12 C.F.R. Part 205, Regulation E, if the person receiving authorization to debit or credit an account meets certain conditions. Makes conforming changes.

SECTION 3. Effective date: September 1, 1999.

SECTION 4. Emergency clause.