

BILL ANALYSIS

H.B. 2394
By: Darby
Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

There are concerns regarding the current requirement that a party in a lawsuit requesting financial records pay for those records to be produced. Interested parties have expressed concern that some litigators are not complying with this requirement, which results in a financial institution either having to produce records without compensation for the effort or face contempt of court charges for not fulfilling the request. H.B. 2394 seeks to remedy this issue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2394 amends the Finance Code to prohibit a court from ordering a financial institution to produce a customer record in response to a record request or from finding a financial institution to be in contempt of court for failing to produce the record if a requesting party has not paid the financial institution's costs of complying with the record request under the Texas Banking Act or posted a cost bond to cover those costs.

EFFECTIVE DATE

September 1, 2015.