

BILL ANALYSIS

Senate Research Center
81R5999 KLA-F

H.B. 3075
By: Deshotel (Hinojosa)
Jurisprudence
5/22/2009
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 3075 relates to the designation of convenience signers on certain accounts established at financial institutions.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Part 1, Chapter XI, Texas Probate Code, by adding Section 438B, as follows:

Sec. 438B. CONVENIENCE SIGNER ON OTHER ACCOUNTS. (a) Authorizes an account established by one or more parties at a financial institution that is not designated as a convenience account, but is instead designated as a single-party account or another type of multiple-party account, to provide that the sums on deposit is authorized to be paid or delivered to the parties or to one or more convenience signers "for the convenience of the parties."

(b) Provides that, except as provided by Subsection (c) of this section, the provisions of Section 438A (Convenience Account) of this chapter apply to an account described by Subsection (a) of this section, including provisions relating to the ownership of the account during the lifetimes and on the deaths of the parties and provisions relating to the powers and duties of the financial institution at which the account is established; and any other law relating to a convenience signer applies to a convenience signer designated as provided by this section to the extent the law applies to a convenience signer on a convenience account.

(c) Provides that on the death of the last surviving party to an account that has a convenience signer designated as provided by this section, the convenience signer does not have a right of survivorship in the account and the estate of the last surviving party owns the account unless the convenience signer is also designated as a P.O.D. payee or as a beneficiary.

SECTION 2. Amends Sections 439A(a) and (b), Texas Probate Code, as follows:

(a) Provides that a contract of deposit that contains provisions substantially the same as in the form provided by Subsection (b) of this section establishes the type of account selected by a party. Provides that the provisions of this part of Chapter XI (Nontestamentary Transfers) of this code govern an account selected under the form, rather than an account selected under the form, other than a single-party account without a P.O.D. designation. Provides that a contract of deposit that does not contain provisions substantially the same as in the form provided by Subsection (b) of this section is governed by the provisions of this chapter applicable to the account that most nearly conforms to the depositor's intent.

(b) Authorizes a financial institution to use a certain form with certain required language to establish the type of account selected by a party.

SECTION 3. Provides that the changes in law made by this Act apply to an account with a financial institution for which a convenience signer is designated, regardless of whether the account was established or the convenience signer was designated before, on, or after the effective date of this Act.

SECTION 4. Effective date: upon passage or September 1, 2009.