

CHAPTER 737

H.B. No. 1774

An Act relating to the disclosure of bank charges.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Article 1, Chapter VII, The Texas Banking Code of 1943 (Article 342-701, Vernon's Texas Civil Statutes), is amended by adding Section 3A to read as follows:

Sec. 3A. (a) A bank shall disclose, as provided by this section, the amount of each charge related to an account, or if the amount of a charge cannot be stated, the method of computing the charge.

(b) The bank shall provide a written notice of the disclosures required by this section to each customer opening an account. The bank shall mail or deliver the notice to the customer, at the address shown for the customer in bank records, not later than the 10th day after the date the account is opened.

(c) A bank that changes a charge or adds a new charge shall give notice of the change or new charge to each affected account holder in the manner provided by Section 2 of this article for notice of an amendment of a depository contract.

(d) If an account has more than one account holder, the bank is required to deliver the notice required by this section to only one of the account holders.

(e) An unincorporated association of individuals may waive the requirements of this section when opening an account, if this waiver is part of an agreement with the bank relating to charges.

SECTION 2. This Act takes effect September 1, 1985.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an *emergency and an imperative public necessity* that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed by the House on May 8, 1985, by a non-record vote; House concurred in Senate amendments to H.B. No. 1774 on May 26, 1985, by a non-record vote; passed by the Senate, with amendments, on May 23, 1985, by a viva-voce vote.

Approved: June 14, 1985

Effective: September 1, 1985