

CHAPTER 623

H.B. No. 2194

AN ACT

relating to the board of directors of a bank owned or controlled by an out-of-state bank holding company.

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

SECTION 1. Section 2, Article 4, Chapter IV, The Texas Banking Code (Article 342-404, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 2. If the bank is owned or controlled, directly or indirectly, by an out-of-state bank holding company, directors who are employees or officers or spouses of employees or officers of the [~~bank or~~] out-of-state bank holding company, or an affiliate of the [~~bank or~~] out-of-state bank holding company, *other than the bank*, shall not be counted as residents of the State of Texas for the purpose of Section 1 of this article. For the purposes of this section, "affiliate"

means a person or entity, *other than the bank*, that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the ~~[bank or]~~ out-of-state bank holding company.

SECTION 2. This Act takes effect September 1, 1993.

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 April 23, 1993, by a non-record vote; passed by the Senate on May 20, 1993, by a viva-voce vote.

Approved June 3, 1993.

Effective Sept. 1, 1993.