

CHAPTER 13

S.B. No. 238

AN ACT

relating to the priority of claims on liquidation of a state or private bank or on a purchase of assets and assumption of liabilities of a state bank.

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

SECTION 1. Article 4a, Chapter VIII, The Texas Banking Code (Article 342-804a, Vernon's Texas Civil Statutes), is amended to read as follows:

Art. 4a. **PRIORITY OF CLAIMS—PAYMENT.** On liquidation of a state or private bank or on execution of a purchase of certain assets and assumption of certain liabilities of a state bank under Article 3a of this chapter, claims for payment against that state bank have the same [following] priority that similar claims would have on the liquidation or purchase of assets and assumption of liabilities of a national bank under federal law[;:

~~[(1) obligations incurred by the Banking Commissioner, fees and assessments due to the Banking Department, and expenses of liquidation, including any taxes due, all of which may be covered by a proper reserve of funds;~~

~~[(2) claims of depositors having an approved claim against the general liquidating account of the bank;~~

~~[(3) claims of salaried employees of the bank for salaries that are earned but unpaid at the time the bank is closed or purchased under Article 3a of this chapter;~~

~~[(4) claims of general creditors having an approved claim against the general liquidating account of the bank;~~

~~[(5) claims otherwise proper that were not filed within the time prescribed by this Code;~~

~~[(6) approved claims of subordinated creditors; and~~

~~[(7) claims of stockholders of the bank].~~

SECTION 2. The change in law made by this Act applies to unpaid claims in a liquidation initiated or a purchase of assets and assumption of liabilities that occurs on or after the effective date of this Act.

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, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed the Senate on March 3, 1993: Yeas 31, Nays 0; the Senate concurred in House amendment on March 16, 1993: Yeas 30, Nays 0; passed the House, with amendment, on March 11, 1993: Yeas 128, Nays 0, one present not voting.

Approved March 25, 1993.

Effective March 25, 1993.