

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

25 MAY 15

Date

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB 1454 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.



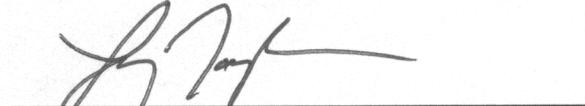
Elife



Watson



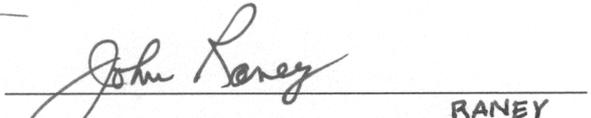
ELLIS



Taylor



On the part of the Senate Creighton



RANEY



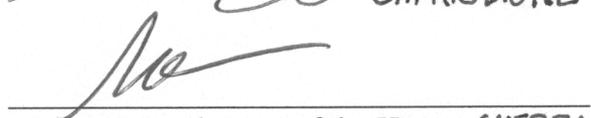
PARKER



KACAL



CAPRIGLIONE



On the part of the House GUERRA

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

H.B. No. 1454

A BILL TO BE ENTITLED

1 AN ACT

2 relating to notice, reporting, and records requirements for holders
3 of certain personal property that is or may be presumed abandoned.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter B, Chapter 72, Property Code, is
6 amended by adding Section 72.1021 to read as follows:

7 Sec. 72.1021. SHARES OF MUTUAL FUND; DESIGNATION OF
8 REPRESENTATIVE FOR NOTICE. (a) The owner of shares of a mutual fund
9 may designate the name and a mailing or e-mail address of a
10 representative of the owner only for the purpose of receiving the
11 notice required by Section 74.1011. The owner is not required to
12 designate a representative under this subsection.

13 (b) The comptroller shall prescribe a form that a holder of
14 shares of a mutual fund may make available to an owner of the shares
15 to designate a representative for notice under this section.

16 (c) A representative for notice designated under this
17 section does not have any rights to the mutual fund shares and may
18 not access the shares.

19 (d) The running of the three-year period of abandonment
20 under Section 72.101 ceases immediately if a representative
21 designated under this section communicates to the holder that the
22 representative knows:

23 (1) the owner's location; and

24 (2) that the owner exists and has not abandoned the

1 shares of the mutual fund.

2 SECTION 2. Subchapter B, Chapter 73, Property Code, is
3 amended by adding Section 73.103 to read as follows:

4 Sec. 73.103. DESIGNATION OF REPRESENTATIVE FOR NOTICE. (a)

5 The depositor of an account or the owner of the contents of a safe
6 deposit box may designate the name and a mailing or e-mail address
7 of a representative of the depositor or the owner only for the
8 purpose of receiving the notice required by Section 74.1011. The
9 depositor or owner is not required to designate a representative
10 under this subsection.

11 (b) The comptroller shall prescribe a form that a holder of
12 an account or the contents of a safe deposit box may make available
13 to a depositor of the account or owner of the contents of the box to
14 designate a representative for notice under this section.

15 (c) A representative for notice designated under this
16 section does not have any rights to the account or safe deposit box
17 and may not access the account or box.

18 (d) The running of a period of abandonment under Section
19 73.101 ceases immediately if a representative designated under this
20 section communicates to the holder that the representative knows:

21 (1) the depositor's or owner's location; and

22 (2) that the depositor or owner exists and has not
23 abandoned the account or the contents of a safe deposit box.

24 SECTION 3. Section 74.101(c), Property Code, is amended to
25 read as follows:

26 (c) The property report must include, if known by the
27 holder:

1 (1) the name, social security number, driver's license
2 or state identification number, e-mail address, and [~~the~~] last
3 known address of:

4 (A) each person who, from the records of the
5 holder of the property, appears to be the owner of the property; or

6 (B) any person who is entitled to the property;

7 (2) the name and last known mailing or e-mail address
8 of any person designated as a representative for notice under
9 Section 72.1021 or 73.103;

10 (3) a description of the property, the identification
11 number, if any, and, if appropriate, a balance of each account,
12 except as provided by Subsection (d);

13 (4) [~~3~~] the date that the property became payable,
14 demandable, or returnable;

15 (5) [~~4~~] the date of the last transaction with the
16 owner concerning the property; and

17 (6) [~~5~~] other information that the comptroller by
18 rule requires to be disclosed as necessary for the administration
19 of this chapter.

20 SECTION 4. Section 74.1011, Property Code, is amended by
21 adding Subsection (b-1) to read as follows:

22 (b-1) If an owner has designated a representative for notice
23 under Section 72.1021 or 73.103, the holder shall mail or e-mail the
24 written notice required under Subsection (a) to the representative
25 in addition to mailing the notice to the owner.

26 SECTION 5. Section 74.103(a), Property Code, is amended to
27 read as follows:

1 (a) A holder required to file a property report under
2 Section 74.101 shall keep a record of:

3 (1) the name, the social security number, if known,
4 and the last known address of each person who, from the records of
5 the holder of the property, appears to be the owner of the property;

6 (2) the name and last known mailing or e-mail address
7 of any representative for notice designated under Section 72.1021
8 or 73.103;

9 (3) a brief description of the property, including the
10 identification number, if any; and

11 (4) [~~3~~] the balance of each account, if appropriate.

12 SECTION 6. This Act takes effect September 1, 2017.

House Bill 1454
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SECTIONS 1-5. Subchapter B, Chapter 72, Property Code; Subchapter B, Chapter 73, Property Code; Section 74.101(c), Property Code; Section 74.1011, Property Code; and Section 74.103(a), Property Code are amended.

No equivalent provision.

SECTION 6. *This Act takes effect January 1, 2016.*

SENATE VERSION (CS)

SECTIONS 1-5. Same as House version.

SECTION 6. INTERIM STUDY ON ESCHEAT AND ABANDONED PROPERTY LAWS. (a) The house committee on investments and financial services shall conduct an interim study to examine the state's escheat laws and abandoned property laws, including Title 6, Property Code. The study must:

- (1) focus particularly on the impact of abandoned personal property laws on elderly Texans;
 - (2) include a review of the escheat and abandoned property laws of other states; and
 - (3) seek to determine whether any improvements to the statutes of this state governing escheat and abandoned property may be made.
- (b) Not later than November 1, 2016, the committee shall submit a report to the lieutenant governor, speaker of the house of representatives, and members of the legislature on the findings of the study and any recommendations for legislation relating to escheat or abandoned property.
- (c) This section expires June 1, 2017.

SECTION 7. (a) *Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2017.*
(b) *Section 6 of this Act takes effect September 1, 2015.*

CONFERENCE

SECTIONS 1-5. Same as House version.

Same as House version.

SECTION 6. *This Act takes effect September 1, 2017.*

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 27, 2015

TO: Honorable Dan Patrick, Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1454 by Raney (Relating to notice, reporting, and records requirements for holders of certain personal property that is or may be presumed abandoned.), **Conference Committee Report**

The potential revenue loss from implementation of the bill cannot be determined at this time.

The bill would amend the Property Code to authorize an owner of shares of a mutual fund, a depositor of an account, such as a checking or savings account, and an owner of the contents of a safe deposit box to designate the name and physical or electronic mailing address of a representative for the purpose of providing notification of presumed abandoned property. The bill would cease the running of the period for determining abandonment if the representative communicates to the holder or depository of the asset that the representative knows the owner's location and that the owner exists and has not abandoned the asset. The provisions of the bill would take effect January 1, 2016.

The bill's provisions could potentially reduce the number of assets held by depositories considered to be abandoned and therefore reduce remittances of abandoned property to the Comptroller of Public Accounts. The remittances of abandoned or unclaimed property are deposited to the General Revenue Fund. According to the Comptroller of Public Accounts, there is no data upon which to estimate the number and value of accounts which would be affected by the designation of an owner's representative whose knowledge of the owner's location and retention of the assets would prevent funds from being presumed abandoned and therefore reported and delivered to the state. As a scenario, the agency indicated that if the bill causes the remittance of 25 percent of individual accounts and 50 percent of business accounts to be delayed, the loss to the General Revenue Fund could be \$30.9 million in fiscal year 2017.

Local Government Impact

No fiscal implication to units of local government is anticipated.

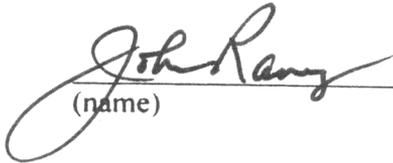
Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, SD, CL, EP, LCO

**Certification of Compliance with
Rule 13, Section 6(b), House Rules of Procedure**

Rule 13, Section 6(b), House Rules of Procedure, requires a copy of a conference committee report signed by a majority of each committee of the conference to be furnished to each member of the committee in person or, if unable to deliver in person, by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Rule 13, Section 10(a). The paper copies of the report submitted to the chief clerk under Rule 13, Section 10(b), must contain a certificate that the requirement of Rule 13, Section 6(b), has been satisfied, and that certificate must be attached to the copy of the report furnished to each member under Rule 13, Section 10(d). Failure to comply with this requirement is not a sustainable point of order under Rule 13.

I certify that a copy of the conference committee report on HB 1454 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Rule 13, Section 10(b), House Rules of Procedure.



(name)

5/27/15

(date)