

BILL ANALYSIS

C.S.H.B. 858
By: Sanford
Investments & Financial Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that classifying a checking account, savings account, or matured certificate of deposit as abandoned after three years does not provide adequate time for the comptroller of public accounts to make an informed determination. The parties assert that additional time is needed to protect the interests of inactive account or certificate holders before the comptroller determines an account to be inactive. C.S.H.B. 858 seeks to address this issue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 858, effective September 1, 2018, amends the Property Code to increase from three years to four years the minimum period of inactivity of a checking account, savings account, or matured certificate of deposit after which such an account is presumed abandoned and to set an expiration date of September 1, 2020, for the statutory provision establishing that presumption of abandonment as an exception to the general presumption of abandonment of an inactive account or safe deposit box. Effective September 1, 2020, the bill makes a conforming change relating to the expiration of that provision.

EFFECTIVE DATE

Except as otherwise provided, September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 858 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 73.101(c), Property Code, is amended to read as follows:

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Effective September 1, 2018, Section 73.101(c), Property Code, is amended to read as follows:

(c) If the account is a checking or savings account or is a matured certificate of deposit, the account is presumed abandoned if the account has been inactive for at least 15 [~~three~~] years as determined under Subsection (b)(1).

No equivalent provision.

SECTION 2. This Act takes effect September 1, 2015.

(c) If the account is a checking or savings account or is a matured certificate of deposit, the account is presumed abandoned if the account has been inactive for at least four [~~three~~] years as determined under Subsection (b)(1). This subsection expires September 1, 2020.

SECTION 2. Effective September 1, 2020, Section 73.101(a), Property Code, is amended to read as follows:

(a) An account or safe deposit box is presumed abandoned if:

(1) [~~except as provided by Subsection (c),~~] the account or safe deposit box has been inactive for at least five years as determined under Subsection (b);

(2) the location of the depositor of the account or owner of the safe deposit box is unknown to the depository; and

(3) the amount of the account or the contents of the box have not been delivered to the comptroller in accordance with Chapter 74.

SECTION 3. Same as introduced version.