

By: Zwiener

H.B. No. 3149

A BILL TO BE ENTITLED

AN ACT

relating to the creation of a universal higher education savings trust account by the Prepaid Higher Education Tuition Board.

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

SECTION 1. Section 54.701(10), Education Code, is amended to read as follows:

(10) "Savings trust account" means an account established through the plan by an individual or the board under this subchapter on behalf of a beneficiary in order to apply distributions from the account toward qualified higher education expenses at eligible educational institutions.

SECTION 2. Subchapter G, Chapter 54, Education Code, is amended by adding Section 54.7071 to read as follows:

Sec. 54.7071. UNIVERSAL SAVINGS TRUST ACCOUNT. (a) From money available for the purpose, the board shall open a universal savings trust account to save money for the payment of the qualified higher education expenses of each child born in this state.

(b) For purposes of this subchapter, the board is the owner of the universal savings trust account. Except as provided by Subsection (d), each child born in this state on or after September 1, 2023, is a beneficiary of the account.

(c) Except as provided by Subsection (d), on receipt of notice regarding the birth of a child in this state from the Department of State Health Services under Section 191.011, Health

1 and Safety Code, the board shall deposit \$100 in the universal  
2 savings trust account on behalf of the child.

3 (d) The parent or legal guardian of a child born in this  
4 state may opt out of the contribution to the universal savings trust  
5 account on the child's behalf under Subsection (c) by submitting a  
6 written request to the board.

7 (e) The board shall distribute money in the universal  
8 savings trust account to a beneficiary of the account in accordance  
9 with board rule.

10 (f) The board shall develop and implement an outreach  
11 program to inform parents and legal guardians of children born in  
12 this state regarding the universal savings trust account and the  
13 right to opt out of the contribution to the account under Subsection  
14 (d).

15 SECTION 3. Section 54.709(d), Education Code, is amended to  
16 read as follows:

17 (d) A savings trust agreement must provide that, if after a  
18 specified period the savings trust agreement has not been  
19 terminated and the beneficiary's rights in the account have not  
20 been exercised, the board, after making reasonable efforts to  
21 contact the owner and beneficiary of the account or their agents,  
22 shall:

23 (1) report the unclaimed money in the account to the  
24 comptroller; or

25 (2) if the account is the universal savings trust  
26 account opened under Section 54.7071, withdraw from the account the  
27 money attributable to the beneficiary and deposit the money in the

1 general revenue fund.

2 SECTION 4. Subchapter A, Chapter 191, Health and Safety  
3 Code, is amended by adding Section 191.011 to read as follows:

4 Sec. 191.011. BIRTH INFORMATION FOR PREPAID HIGHER  
5 EDUCATION TUITION BOARD. (a) The department shall implement an  
6 efficient and effective method to inform the Prepaid Higher  
7 Education Tuition Board regarding the birth of a child in this state  
8 as necessary for the board to administer the universal savings  
9 trust account under Section 54.7071, Education Code.

10 (b) The department shall enter into a memorandum of  
11 understanding with the Prepaid Higher Education Tuition Board to  
12 implement this section.

13 SECTION 5. This Act takes effect September 1, 2023.