

By: Perry

S.B. No. 658

A BILL TO BE ENTITLED

AN ACT

relating to the disposition of money from certain attorney accounts delivered to the comptroller as unclaimed property.

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

SECTION 1. Subchapter G, Chapter 74, Property Code, is amended by adding Section 74.604 to read as follows:

Sec. 74.604. DISPOSITION OF MONEY DELIVERED TO COMPTROLLER FROM CERTAIN ATTORNEY ACCOUNTS. (a) This section applies to money delivered to the comptroller under Section 74.301 as:

(1) unclaimed or unidentified funds in a client trust account established by an attorney or law firm; or

(2) money in an abandoned IOLTA account established by an attorney or law firm to comply with Texas Supreme Court rules governing the Texas Access to Justice Program.

(b) Notwithstanding any other provision of this chapter or other law, the comptroller shall deposit money to which this section applies to the credit of the judicial fund. Except as otherwise provided by this section, money deposited to the credit of the judicial fund may be appropriated only to the Texas Supreme Court for programs approved by the supreme court that provide basic civil legal services.

(c) If the comptroller pays a claim to a person establishing ownership of any money that was deposited to the credit of the judicial fund under Subsection (b), the Texas Supreme Court shall

1 reimburse the comptroller out of the judicial fund for the amount of
2 the claim. The supreme court may use money deposited under
3 Subsection (b) to pay the claim.

4 (d) The comptroller and the Texas Supreme Court may adopt
5 rules necessary to implement this section.

6 (e) In this section, "IOLTA" means the Interest On Lawyers'
7 Trust Account Program.

8 SECTION 2. (a) Section 74.604, Property Code, as added by
9 this Act, applies to money described by Section 74.604(a)(1) or
10 (2), Property Code, as added by this Act, that was delivered to the
11 comptroller under Section 74.301, Property Code, on, before, or
12 after the effective date of this Act.

13 (b) As soon as possible after the effective date of this
14 Act, the comptroller shall identify money described by Subsection
15 (a) of this section that was delivered to the comptroller before the
16 effective date of this Act and deposit that money to the credit of
17 the judicial fund in accordance with Section 74.604(b), Property
18 Code, as added by this Act. The comptroller shall subtract from the
19 amount the comptroller deposits to the judicial fund under this
20 subsection any amounts that the comptroller has previously paid on
21 claims to persons who established ownership of part of that money.

22 SECTION 3. This Act takes effect September 1, 2023.