

By: Cook of Colorado

H.B. No. 64

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the abandonment of proceeds distributable on
3 reorganization of an insurance company.

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

5 SECTION 1. Section 72.101, Property Code, is amended by
6 adding Subsections (c) and (d) to read as follows:

7 (c) Property distributable in the course of a
8 demutualization, rehabilitation, or related reorganization of an
9 insurance company is presumed abandoned on the first anniversary of
10 the date the property becomes distributable if, at the time of the
11 first distribution, the last known address of the owner according
12 to the records of the holder of the property is known to be
13 incorrect or the distribution or statements related to the
14 distribution are returned by the post office as undeliverable and
15 the owner has not:

16 (1) communicated in writing with the holder of the
17 property or the holder's agent regarding the interest; or

18 (2) otherwise communicated with the holder regarding
19 the interest as evidenced by a memorandum or other record on file
20 with the holder or its agents.

21 (d) Property distributable in the course of a
22 demutualization, rehabilitation, or related reorganization of an
23 insurance company that is not subject to Subsection (c) is presumed
24 abandoned as otherwise provided by this section.

1 SECTION 2. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect November 1, 2003.