

By: Swinford

H.B. No. 18

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the abandonment of proceeds from the demutualization of  
3 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 or related reorganization of an insurance company  
9 is presumed abandoned on the first anniversary of the date the  
10 property becomes distributable if, at the time of the first  
11 distribution, the last known address of the owner according to the  
12 records of the holder of the property is known to be incorrect or  
13 the distribution or statements related to the distribution are  
14 returned by the post office as undeliverable and the owner has not:

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

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

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

24 SECTION 2. This article takes effect immediately if this

1 Act receives a vote of two-thirds of all the members elected to each  
2 house, as provided by Section 39, Article III, Texas Constitution.  
3 If this Act does not receive the vote necessary for immediate  
4 effect, this article takes effect on the 91st day after the last day  
5 of the legislative session.