

By: Swinford

H.B. No. 2310

A BILL TO BE ENTITLED

AN ACT

1
2 relating to abandonment of proceeds from the demutualization of an
3 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 Subsection (c) to read as follows:

7 (c) The three-year period leading to a presumption of
8 abandonment of proceeds from the demutualization of an insurance
9 company begins on the earlier of the date of the last contact with
10 the policyholder entitled to the proceeds or the date of the
11 demutualization.

12 SECTION 2. Section 74.301, Property Code, is amended by
13 amending Subsection (a) and adding Subsection (d) to read as
14 follows:

15 (a) Except as provided by Subsection (c) or (d), each holder
16 who on June 30 holds property that is presumed abandoned under
17 Chapter 72, 73, or 75 shall deliver the property to the comptroller
18 on or before the following November 1 accompanied by the report
19 required to be filed under Section 74.101.

20 (d) If the property subject to delivery under Subsection (a)
21 is proceeds from the demutualization of an insurance company, the
22 holder shall deliver the property and required report to the
23 comptroller on or before the following August 1.

24 SECTION 3. This Act takes effect immediately if it receives

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