

## **BILL ANALYSIS**

C.S.H.B. 4115  
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Business & Industry  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The comptroller of public accounts has administered the Texas unclaimed property program since 1996. The types of unclaimed property range from bank accounts and deposit refunds to uncashed payroll checks and safety deposit box contents. Property is usually considered to be abandoned after one to five years of inactivity, when businesses or "holders" are required by law to submit the property to the comptroller of public accounts. The comptroller then acts as the custodian of the property until it is claimed. Though the comptroller has developed many outreach programs, including publishing a list of recently reported names of owners in newspapers across the state, maintaining an online database, staffing a booth at the Texas State Fair, and sending out notifications through the mail, there are approximately 11 million unclaimed properties with a total value of over \$1.8 billion. This bill is designed to assist in locating the owners of unclaimed property.

C.S.H.B. 4115 requires a holder of unclaimed property to provide the comptroller with the owner's driver's license number or state identification number and e-mail address, if known, and requires the holder to mail notice to the owner of the property or a person entitled to the property at that person's last known address.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the comptroller of public accounts in SECTIONS 4, 5, 6, and 7 of this bill.

### **ANALYSIS**

C.S.H.B. 4115 amends the Property Code to include in the information a holder of property presumed abandoned is required to provide in a report filed with the comptroller of public accounts the driver's license or state identification number and e-mail address, if known, of each person who, from the records of the holder of the property, appears to be the owner of the property and any person who is entitled to the property. The bill requires a penalty equal to five percent of the value of the property to be imposed on a person who knowingly fails to report a social security number required in such a report.

C.S.H.B. 4115 requires a property holder who on June 30 holds property valued at more than \$250 that is presumed abandoned to mail, on or before the following August 1, to any person who, from the records of the property holder, appears to be the owner of the property or a person entitled to the property written notice stating that the holder is holding the property and that the holder may be required to deliver the property to the comptroller of public accounts on or before November 1, if the property is not claimed. The bill requires the holder to send the notice to the last known address of the person who appears to be the property owner or person entitled to the property unless the holder does not have a record of an address of either such person. The bill authorizes a holder sending the notice to charge the cost of the postage against the property held as a service charge. The bill authorizes the comptroller to deposit unclaimed money to the general revenue fund if an owner does not assert a claim for unclaimed money and the owner is

reported to be the state or a state agency and to establish procedures and adopt rules necessary to implement this provision.

C.S.H.B. 4115 amends the Government Code to require the Employees Retirement System of Texas and the Teacher Retirement System of Texas, not later than June 1 of each year, to provide to the comptroller, for the purpose of assisting the comptroller in the identification of persons entitled to unclaimed property reported to the comptroller, the name, address, social security number, and date of birth of each member, retiree, and beneficiary, as applicable, from the respective retirement system's records. The bill specifies that this information is confidential and prohibited from being disclosed to the public and requires each system to provide the information in the format prescribed by rule by the comptroller.

C.S.H.B. 4115 amends the Labor Code to require the Texas Workforce Commission, not later than June 1 of each year, to provide to the comptroller, for the purposes of assisting the comptroller in the identification of persons entitled to unclaimed property reported to the comptroller, the name, address, social security number, and date of birth of each person about whom the commission has such information in its records. The bill specifies that this information is confidential and prohibited from being disclosed to the public and requires the commission to provide the information in the format prescribed by rule by the comptroller.

C.S.H.B. 4115 amends the Transportation Code to add the unclaimed property division of the comptroller's office to the entities to which information provided on a driver's license application that relates to the applicant's social security number may be disclosed.

#### **EFFECTIVE DATE**

September 1, 2009.

#### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 4115 differs from the original by adding a provision authorizing the comptroller of public accounts to deposit unclaimed money to the general revenue fund if a property owner does not assert a claim for unclaimed money and the owner is reported to be the state or a state agency and authorizing the comptroller to establish procedures and adopt rules necessary to implement this provision.

C.S.H.B. 4115 removes a provision in the original requiring the Department of Public Safety, not later than June 1 of each year, to provide to the comptroller, for the purpose of assisting the comptroller in the identification of persons entitled to unclaimed property reported to the comptroller, the name, address, social security number, date of birth, and driver's license or state identification number of each person about whom the department has such information in its records. The substitute removes provisions in the original relating to this requirement.

C.S.H.B. 4115 adds a provision not in the original to include the unclaimed property division of the comptroller's office as an entity to which information provided on a driver's license application that relates to the applicant's social security number may be disclosed.