

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 16, 2011

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1886 by Morrison (Relating to unclaimed property.), **As Engrossed**

The fiscal implications of the bill cannot be determined at this time.

The bill would amend Chapter 72 of the Property Code, to make unclaimed class action proceeds reportable as unclaimed property. The proceeds would be presumed abandoned if the proceeds are unclaimed on or before the 90th day after the date the proceeds were made payable and available to members of the class, unless the abandonment period is established by the court or settlement agreement. The bill would require the holder to deliver the proceeds, accompanied by a property report to the Comptroller not later than the 60th day after the date the proceeds are presumed to be abandoned.

The bill would amend Chapter 74 of the Property Code, regarding the reporting, delivery and claims process for unclaimed property, to specify who may make a claim of the unclaimed property of an entity that has been dissolved, terminated, liquidated, or was involved in a bankruptcy.

There is an indeterminate fiscal impact to the state from inclusion of proceeds from class action lawsuits as unclaimed property. In addition, the fiscal impact from the limitations placed on persons who may make a claim to the unclaimed property of an inactive entity, cannot be determined.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KK, AG, LCO