BILL ANALYSIS

H.B. 2621 By: Creighton Judiciary & Civil Jurisprudence Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, an individual eligible to receive an inheritance is allowed to disclaim that inheritance if the individual chooses not to receive it. However, there is concern that this practice can have adverse effects on the ability to collect child support payments if the beneficiary is a child support obligor because the disclaimer prevents the child support obligor from ever having legal ownership of the inheritance. After the child support obligor makes the disclaimer, interested parties contend that it is then possible for the inheritance to pass to the next eligible beneficiary who can then hold the inheritance in trust for the benefit of the child support obligor, thereby defeating the intent of child support laws. H.B. 2621 seeks to address this oversight by making a disclaimer of inheritance ineffective if it would prevent the collection of certain child support payments.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2621 amends the Estates Code, as effective January 1, 2014, to establish that a disclaimer made by a beneficiary who is a child support obligor of estate property that could be applied to satisfy the beneficiary's child support obligation is not effective if the beneficiary owes child support arrearages that have been administratively determined by the office of the attorney general in a child support case or that have been confirmed and reduced to judgment. The bill authorizes the child support obligee to whom the child support arrearages are owed, after distribution of estate property to such a beneficiary, to enforce the child support obligation by a lien or by any other remedy provided by law. The bill requires a disclaimer of estate property receivable by a beneficiary to include a statement regarding whether the beneficiary is a child support obligor described by the bill's provisions.

EFFECTIVE DATE

January 1, 2014.

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