

## **BILL ANALYSIS**

Senate Research Center  
84R7215 LEH-D

H.B. 1560  
By: Hernandez (Ellis)  
State Affairs  
5/6/2015  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Interested parties observe that, in suits involving minor or certain incapacitated plaintiffs, there are insufficient options allowing for any money recovered by the plaintiff to be invested for the purpose of education. The parties find this problematic, as education investment programs have proven to be a prudent option for assets in such cases, helping to ensure that awarded money is put toward the plaintiff's well-being. H.B. 1560 seeks to address these issues.

H.B. 1560 amends current law relating to investment options for property recovered in a suit by a next friend or guardian ad litem on behalf of a minor or incapacitated person.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 142.004(a), Property Code, as follows:

(a) Provides that, in a suit in which a minor or incapacitated person who has no legal guardian is represented by a next friend or an appointed guardian ad litem, any money recovered by the plaintiff, if not otherwise managed under this chapter, may be invested:

(1) by the next friend or guardian ad litem in:

(A) a higher education savings plan established under Subchapter G (Higher Education Savings Plan), Chapter 54, Education Code, or a prepaid tuition program established under Subchapter H (Prepaid Tuition Unit Undergraduate Education Program: Texas Tomorrow Fund II), Chapter 54, Education Code, rather than the Texas tomorrow fund established by Subchapter F, Chapter 54, Education Code; or

(B) Makes no change to this paragraph; or

(2) by the clerk of the court, on written order of the court of proper jurisdiction, in:

(A) a higher education savings plan established under Subchapter G, Chapter 54, Education Code, or a prepaid tuition program established under Subchapter H, Chapter 54, Education Code, rather than the Texas tomorrow fund established by Subchapter F, Chapter 54, Education Code; or

(B)-(E) Makes no change to these paragraphs.

SECTION 2. Effective date: September 1, 2015.