

AN ACT

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.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 142.004(a), Property Code, is amended to read as follows:

(a) 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, Chapter 54, Education Code, or a prepaid tuition program [~~the Texas tomorrow fund~~] established under [~~by~~] Subchapter H [~~F~~], Chapter 54, Education Code; or

(B) interest-bearing time deposits in a financial institution doing business in this state and insured by the Federal Deposit Insurance Corporation; 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 [~~the Texas tomorrow fund~~] established under [~~by~~]

1 Subchapter H [~~F~~], Chapter 54, Education Code;

2 (B) interest-bearing deposits in a financial
3 institution doing business in this state and insured by the Federal
4 Deposit Insurance Corporation;

5 (C) United States treasury bills;

6 (D) an eligible interlocal investment pool that
7 meets the requirements of Sections [2256.016](#), [2256.017](#), and
8 [2256.019](#), Government Code; or

9 (E) a no-load money market mutual fund, if the
10 fund:

11 (i) is regulated by the Securities and
12 Exchange Commission;

13 (ii) has a dollar weighted average stated
14 maturity of 90 days or fewer; and

15 (iii) includes in its investment objectives
16 the maintenance of a stable net asset value of \$1 for each share.

17 SECTION 2. This Act takes effect September 1, 2015.

President of the Senate

Speaker of the House

I certify that H.B. No. 1560 was passed by the House on April 23, 2015, by the following vote: Yeas 139, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1560 was passed by the Senate on May 20, 2015, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor