

By: Lucio

S.B. No. 1586

A BILL TO BE ENTITLED

AN ACT

relating to disposition of certain unclaimed money by local telephone exchange companies.

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

SECTION 1. The heading to Section 74.3011, Property Code, is amended to read as follows:

Sec. 74.3011. DELIVERY OF MONEY TO RURAL SCHOLARSHIP FUND AND ECONOMIC DEVELOPMENT FUND.

SECTION 2. Sections 74.3011(a), (b), (d), (e), and (g), Property Code, are amended to read as follows:

(a) Notwithstanding and in addition to any other provision of this chapter or other law, a local telephone exchange company may deliver reported money to a ~~[scholarship]~~ fund described by Subsection (b) [for rural students] instead of delivering the money to the comptroller as prescribed by Section 74.301.

(b) A local telephone exchange company may deliver the money under this section only to:

(1) a scholarship fund established by one or more local telephone exchange companies in this state to enable needy students from rural areas to attend college, technical school, or another postsecondary educational institution; and

(2) an economic development fund established by one or more local telephone exchange companies in this state to enable rural, low-income, underserved areas to promote or support economic

1 development and stimulate infrastructure development in those
2 areas.

3 (d) A claim for money delivered to a [~~scholarship~~] fund
4 under this section must be filed with the local telephone exchange
5 company that delivered the money. The local telephone exchange
6 company shall forward the claim to the administrator of the
7 [~~scholarship~~] fund to which the money was delivered. The
8 [~~scholarship~~] fund shall pay the claim if the fund determines in
9 good faith that the claim is valid. A person aggrieved by a claim
10 decision may file a suit against the appropriate fund in a district
11 court in the county in which the administrator of the [~~scholarship~~]
12 fund is located in accordance with Section 74.506.

13 (e) The comptroller shall prescribe forms and procedures
14 governing this section, including forms and procedures relating to:

- 15 (1) notice of presumed abandoned property;
- 16 (2) delivery of reported money to a [~~scholarship~~] fund
17 described by Subsection (b); and
- 18 (3) filing of a claim.

19 (g) During a state fiscal year, the total amount of money
20 that may be transferred by all local telephone exchange companies
21 under this section may not exceed \$1 million to the scholarship fund
22 and \$1 million to the economic development fund [~~\$800,000~~]. The
23 comptroller shall keep a record for each fund of the total amount of
24 money transferred annually. When the total amount of money
25 transferred during a state fiscal year equals the amount allowed by
26 this subsection, the comptroller shall notify each local telephone
27 exchange company that the company may not transfer any additional

1 money to the applicable [~~company's scholarship~~] fund of the company
2 during the remainder of that state fiscal year.

3 SECTION 3. This Act takes effect September 1, 2015.