

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 9, 2015**

**TO:** Honorable Tan Parker, Chair, House Committee on Investments & Financial Services

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB858** by Sanford (Relating to the presumption of abandonment of an inactive checking or savings account or a matured certificate of deposit.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB858, Committee Report 1st House, Substituted: a negative impact of (\$91,132,000) through the biennium ending August 31, 2017.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2016	(\$91,132,000)
2017	\$0
2018	\$0
2019	\$0
2020	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue (Loss) from General Revenue Fund</b>
2016	(\$91,132,000)
2017	\$0
2018	\$0
2019	\$0
2020	\$0

**Fiscal Analysis**

The bill would amend the Property Code relating to the presumption of abandonment of an inactive checking or savings account or a matured certificate of deposit. Under current law, if one

of these accounts in a financial institution has been inactive for three years it is presumed abandoned and is subject to the state's unclaimed property provisions. The bill would change the inactive period from three to four years. This provision would expire at the end of fiscal year 2020, at which point the inactive period reverts back to five years. The bill would take effect September 1, 2015.

### **Methodology**

To implement the provisions of the bill, any remittances from financial institutions for inactive accounts would be suspended in fiscal year 2016 for 1 year. The Comptroller's Unclaimed Property Division provided historical remittance amounts through fiscal year 2014 from those accounts affected by the bill. The fiscal impact in fiscal year 2016 assumes that future remittances from those accounts under current law would have grown at the rate of nominal Texas personal income.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 450 Department of Savings and Mortgage Lending, 451 Department of Banking, 469 Credit Union Department

**LBB Staff:** UP, CL, NV, JLi