# LEGISLATIVE BUDGET BOARD
## Austin, Texas

## FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

## March 30, 2015

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

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

**IN RE:** **HB1454** by Raney (Relating to notice, reporting, and records requirements for holders of certain personal property that is or may be presumed abandoned.), **Committee Report 1st House, Substituted**

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| The potential revenue loss from implementation of the bill cannot be determined at this time. |

The bill would amend the Property Code to authorize an owner of shares of a mutual fund, a depositor of an account, such as a checking or savings account, and an owner of the contents of a safe deposit box to designate the name and physical or electronic mailing address of a representative for the purpose of providing notification of presumed abandoned property. The bill would cease the running of the period for determining abandonment if the representative communicates to the holder or depository of the asset that the representative knows the owner's location and that the owner exists and has not abandoned the asset. The provisions of the bill would take effect January 1, 2016.

The bill's provisions could potentially reduce the number of assets held by depositories considered to be abandoned and therefore reduce remittances of abandoned property to the Comptroller of Public Accounts. The remittances of abandoned or unclaimed property are deposited to the General Revenue Fund. According to the Comptroller of Public Accounts, there is no data upon which to estimate the number and value of accounts which would be affected by the designation of an owner's representative whose knowledge of the owner's location and retention of the assets would prevent funds from being presumed abandoned and therefore reported and delivered to the state. As a scenario, the agency indicated that if the bill causes the remittance of 25 percent of individual accounts and 50 percent of business accounts to be delayed, the loss to the General Revenue Fund could be $19.8 million in fiscal year 2016 and $30.9 million in fiscal year 2017.

### Local Government Impact

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** UP, CL, EP, LCO