

BILL ANALYSIS

Senate Research Center
85R3483 PMO-D

H.B. 2964
By: Meyer; Button (Hancock)
Business & Commerce
4/27/2017
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties contend that the law regarding when shares in a mutual fund are presumed abandoned is ambiguous as to when the initial abandonment occurs. H.B. 2964 seeks to resolve this ambiguity.

H.B. 2964 amends the Property Code to specify that the three-year period leading to a presumption of abandonment with respect to shares in a mutual fund begins on the later of the date of the last investment in the mutual fund made by or on behalf of the owner or the last payment to the owner or reinvestment by or on behalf of the owner of a dividend from the mutual fund.

H.B. 2964 amends current law relating to abandonment of shares of a mutual fund.

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 Subchapter B, Chapter 72, Property Code, by adding Section 72.1011, as follows:

Sec. 72.1011. SHARES OF MUTUAL FUND. Provides that the three-year period established by Section 72.101 (Personal Property Presumed Abandoned) with respect to the abandonment of shares in a mutual fund begins on the later of the date of the last investment in the mutual fund made by or on behalf of the owner or the last payment to the owner or reinvestment by or on behalf of the owner of a dividend from the mutual fund.

SECTION 2. Effective date: upon passage or September 1, 2017.