

BILL ANALYSIS

H.B. 3162
By: Flynn
Pensions, Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been suggested that changes to the law regarding prepaid funeral contract sellers are needed to ensure consistency regarding reporting and escheating abandoned funds and to allow the banking commissioner to recover certain agency costs from entities that have violated related laws. H.B. 3162 seeks to provide for these changes.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3162 amends the Finance Code to revise provisions relating to the annual acknowledged written notice of abandoned money a seller of prepaid funeral benefits is required to furnish the banking commissioner of Texas by:

- changing from June 30 of each year to March 1 of each year the date on which the seller holds money presumed abandoned that is the subject of such notice; and
- changing from not later than October 1 to not later than June 1 the deadline by which the seller is required to furnish such notice.

The bill changes the deadline by which the seller is required to deliver to the comptroller of public accounts the abandoned money and a report required to be filed with the comptroller under applicable Property Code provisions from not later than the first November 1 after the date the commissioner receives the required notice to not later than the first July 1 after the date a seller is required to furnish the notice. The bill authorizes the commissioner to recover the reasonable costs incurred in connection with an investigation conducted under a reasonable suspicion of a misallocation or defalcation of prepaid funeral funds or an unauthorized sale of prepaid funeral benefits from the person who is the subject of the investigation if, after a hearing conducted as provided by the Administrative Procedure Act, the trier of fact determines that the person violated statutory provisions relating to prepaid funeral services or a rule adopted under those provisions.

EFFECTIVE DATE

September 1, 2019.