

BILL ANALYSIS

Senate Research Center

S.B. 1420
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State Affairs
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, unclaimed property under the Estates Code is sent to the comptroller of public accounts of the State of Texas (comptroller) and goes through a different process for recovery than other unclaimed properties under the Property Code. Under the Estates Code, persons or groups must sue the comptroller in order to recover their property. This is costly for the claimants, often leading them not to file a suit because the expenses exceed the value of the property. This process also places a burden on the comptroller's office when their resources could be better used elsewhere.

A recommendation of the comptroller, S.B. 1420 would allow heirs to obtain unclaimed property by filing a report and following the same process that claimants under the Property Code follow. S.B. 1420 also would remove the four-year deadline to file a claim, allowing more claims to be received by the agency. These changes would reduce costs for claimants and ease the administrative burden on the comptroller. (Original Author's/Sponsor's Statement of Intent)

S.B. 1420 amends current law relating to recovery of the funds of an estate delivered to the comptroller.

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 Section 551.003(b), Estates Code, to provide that recovery of, rather than an action to recover, the proceeds of a sale under this section (Payment of Portion That is Not in Money) is governed by Subchapter B (Recovery of Funds Paid to State).

SECTION 2. Amends Section 551.051, Estates Code, as follows:

Sec. 551.051. RECOVERY OF FUNDS. Authorizes an heir or devisee or an assignee of an heir or devisee, if funds of an estate have been paid to the comptroller of public accounts of the State of Texas (comptroller) under this chapter (Payment of Certain Estates to State), to recover the share of the funds to which the heir, devisee, or assignee is entitled by filing a claim with the comptroller in the manner provided by Chapter 74 (Report, Delivery, and Claims Process), Property Code, for property delivered to the comptroller under that chapter.

SECTION 3. Amends Section 74.501(e), Property Code, to prohibit the comptroller, except as provided by Subsection (f) (relating to authorizing the comptroller to approve a claim for child support arrearages) or Section 551.051, Estates Code, rather than except as provided by Subsection (f), from paying to certain persons a claim to which this section (Claim Filed With Comptroller) applies.

SECTION 4. Repealer: Section 551.052 (Action For Recovery), Estates Code.

Repealer: Section 551.053 (Judgment), Estates Code.

Repealer: Section 551.054 (Payment of Costs), Estates Code.

Repealer: Section 551.055 (Representation of Comptroller), Estates Code.

SECTION 5. Effective date: September 1, 2019.