

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 4, 2019

TO: Honorable Jeff Leach, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB3744 by Burrows (Relating to the rule against perpetuities.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill creates a new vesting deadline for the rule against perpetuities for an interest in a trust, other than a charitable trust. For a trust that becomes effective, or irrevocable, on or after September 1, 2019, an interest in the trust must vest, if at all, no later than 300 years after the effective date of the trust. The current rule against perpetuities would continue to apply if the effective date of the trust is before September 1, 2019, unless the trust instrument specifies that the new 300-year period applies.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council

LBB Staff: WP, SLE, SD, SJS