

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**April 20, 2021**

**TO:** Honorable Joan Huffman, Chair, House Committee on Jurisprudence

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB654** by Lucio III (Relating to the rule against perpetuities.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Property Code to create 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, 2021, 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, 2021, unless the trust instrument specifies that the new 300-year period applies.

Based on information provided by the Office of Court Administration, no significant fiscal impact to the state court system is anticipated.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 212 Office of Court Admin

**LBB Staff:** JMc, SLE, BH, MW