

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 29, 2021

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1514 by Landgraf (Relating to the administration of unclaimed property.), **As Passed 2nd House**

The bill could result in an indeterminate increase in payment of unclaimed property claims. The fiscal impact of provisions that grant authority to the Comptroller to use the proceeds from the sale of unclaimed securities, to buy, exchange, invest, or reinvest in marketable securities cannot be determined.

The bill would amend various provisions of the Estates, Insurance, and Property Codes regarding the administration of unclaimed property. The bill would require an insurer to report and deliver unclaimed proceeds to the Comptroller, as required by Chapter 74 of the Property Code. The bill would amend the Property Code regarding the administration of unclaimed property.

The bill would repeal certain provisions of the Insurance Code regarding delivery, public notice requirements, reporting requirements for life insurance companies, and requirements for claiming unclaimed proceeds.

The Comptroller indicates provisions of the bill could result in an increase in approved unclaimed property claims and payments; however, the amount and timing of the increase are unknown and the fiscal impact cannot be determined. Additionally, the agency indicates that the fiscal impact of the provisions that grant authority to the Comptroller to use the proceeds of the sale of securities delivered under Chapter 74 to buy, exchange, invest, or reinvest in marketable securities cannot be determined. The amount and timing of security sales and subsequent investments are unknown.

The Comptroller indicates that there would be no administrative costs to the agency. The Department of Insurance indicates that any workload required to implement the bill will be minimal and no additional resources will be required.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 454 Department of Insurance

LBB Staff: JMc, LBO, SMAT, MBO, SZ, LCO, MW