

By: Schwertner

S.B. No. 1244

A BILL TO BE ENTITLED

AN ACT

relating to unclaimed securities and virtual currency that are presumed abandoned.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 72, Property Code, is amended by adding Section 72.002 to read as follows:

Sec. 72.002. DEFINITIONS. In this chapter:

(1) "Security" means:

(A) a security as defined by Section 8.102, Business & Commerce Code;

(B) a security entitlement as defined by Section 8.102, Business & Commerce Code, including a customer security account held by a registered broker-dealer, to the extent the financial assets held in the security account are not:

(i) registered on the books of the issuer in the name of the person for whom the broker-dealer holds the assets;

(ii) payable to the order of the person for whom the broker-dealer holds the assets; or

(iii) specifically indorsed to the person for whom the broker-dealer holds the assets; or

(C) an equity interest in a business association not included in Paragraph (A) or (B).

(2) "Virtual currency":

(A) means a digital representation of value that:

1                   (i) is used as a medium of exchange, unit of  
2 account, or store of value; and

3                   (ii) is not legal tender, whether or not  
4 denominated in legal tender; and

5                   (B) does not include:

6                   (i) a transaction in which a merchant  
7 grants, as part of an affinity or rewards program, value that cannot  
8 be taken from or exchanged with the merchant for legal tender, bank  
9 credit, or virtual currency; or

10                   (ii) a digital representation of value  
11 issued by or on behalf of a publisher and used solely within an  
12 online game, game platform, or family of games sold by the same  
13 publisher or offered on the same game platform.

14           SECTION 2. Section 72.101(b), Property Code, is amended to  
15 read as follows:

16           (b)(1) The three-year period leading to a presumption of  
17 abandonment of a security or virtual currency [~~stock or another~~  
18 ~~intangible ownership interest in a business association, the~~  
19 ~~existence of which is evidenced by records available to the~~  
20 ~~association,~~] commences on the first date that [~~either a sum~~  
21 ~~payable as a result of the ownership interest is unclaimed by the~~  
22 ~~owner or~~] a written or electronic communication to the owner is  
23 returned undelivered by the United States Postal Service or by  
24 electronic mail or other electronic messaging method, as  
25 applicable.

26           (2) The running of the three-year period of  
27 abandonment ceases immediately on the exercise of an act of

1 ownership interest in the security or virtual currency [~~or sum~~  
2 ~~payable~~] or a written, oral, or electronic communication with the  
3 holder [~~association~~] as evidenced by a memorandum or other record  
4 on file with the holder [~~association~~] or the holder's [~~its~~] agents.

5 (3) At the time a security or virtual currency [~~an~~  
6 ~~ownership~~] is presumed abandoned under this section, any sum then  
7 held for interest or owing to the owner as a result of the security  
8 or virtual currency [~~interest~~] and not previously presumed  
9 abandoned is presumed abandoned.

10 (4) For purposes of this section, an exercise of an act  
11 of ownership interest with respect to a security or virtual  
12 currency includes an owner:

13 (A) conducting a transaction regarding the  
14 security or virtual currency or the account in which the security or  
15 virtual currency is held, including depositing funds into or  
16 withdrawing funds from the account by a one-time transaction or a  
17 recurring transaction previously authorized by the owner other than  
18 an [~~Any stock or other intangible ownership interest enrolled in a~~  
19 ~~plan that provides for the~~] automatic reinvestment of dividends[~~,~~  
20 ~~distributions,~~] or [~~other sums payable as a result of the~~  
21 ~~ownership~~] interest;

22 (B) electronically accessing the account in  
23 which the security or virtual currency is held;

24 (C) conducting any activity with respect to  
25 another account owned by the owner with the same holder; and

26 (D) taking any other action that reasonably  
27 demonstrates to the holder that the owner knows that the property

1 exists [~~is subject to the presumption of abandonment as provided by~~  
2 ~~this section~~].

3 SECTION 3. Section 74.301, Property Code, is amended by  
4 amending Subsection (a) and adding Subsections (d) and (e) to read  
5 as follows:

6 (a) Except as provided by Subsections [~~Subsection~~] (c) and  
7 (d), each holder who on March 1 holds property to which this chapter  
8 applies shall deliver the property to the comptroller on or before  
9 the following July 1 accompanied by the report required to be filed  
10 under Section 74.101.

11 (d) If the property subject to delivery under Subsection (a)  
12 are digital assets, cryptocurrency, or other tradeable virtual  
13 currency redeemable for fiat currency and the holder has full  
14 control of the necessary private keys required to transfer the  
15 virtual currency, the holder shall report and, before the 30th day  
16 after the reporting date, deliver the virtual currency in its  
17 native form at the direction of the comptroller to either the  
18 comptroller's designated custodian or an in-house account at the  
19 holder established by and for the comptroller. The holder shall  
20 provide the comptroller with proof of delivery with the report  
21 required to be filed under Section 74.101. If the holder possesses  
22 only a partial private key to the virtual currency subject to  
23 delivery under Subsection (a) and is unable to move the virtual  
24 currency, the holder shall maintain the virtual currency until the  
25 additional keys required to transfer the asset become available and  
26 file the report as required by Section 74.101. For property that  
27 is not considered transferable or reportable to the state under

1 this subsection, the holder shall send paper or electronic mail  
2 notices using the last known address of the owner, if available, at  
3 least once each year in an attempt to reunite the owner with the  
4 owner's assets.

5 (e) For purposes of Subsection (d), "virtual currency" has  
6 the meaning assigned by Section 72.002.

7 SECTION 4. Section 74.405, Property Code, is amended by  
8 amending Subsection (b) and adding Subsection (c) to read as  
9 follows:

10 (b) The comptroller may not sell a security listed on an  
11 established stock exchange or virtual currency listed on a virtual  
12 currency exchange for less than the price prevailing on the  
13 applicable exchange at the time of sale. The comptroller may sell a  
14 security or virtual currency not listed on an established exchange  
15 by any commercially reasonable method.

16 (c) For purposes of Subsection (b), "security" and "virtual  
17 currency" have the meanings assigned by Section 72.002.

18 SECTION 5. This Act takes effect September 1, 2025.