

By: Zaffirini

S.B. No. 1335

A BILL TO BE ENTITLED

AN ACT

relating to decedents' estates.

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

SECTION 1. Section 306.007, Estates Code, is amended to read as follows:

Sec. 306.007. EFFECT OF LETTERS ~~[OR CERTIFICATE]~~. Letters testamentary or of administration issued under the court's seal by ~~[or a certificate of]~~ the clerk of the court that granted the letters are ~~[, under the court's seal, indicating that the letters have been issued, is]~~ sufficient evidence of:

(1) the appointment and qualification of the personal representative of an estate; and

(2) the date of qualification.

SECTION 2. Section 361.052, Estates Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) The court may remove a personal representative as provided by Subsection (a-1) ~~[on the court's own motion, or on the complaint of any interested person, after the representative has been cited by personal service to answer at a time and place set in the notice,]~~ if:

(1) sufficient grounds appear to support a belief that the representative has misapplied, embezzled, or removed from the state, or is about to misapply, embezzle, or remove from the state,

1 all or part of the property entrusted to the representative's care;

2 (2) the representative fails to return any account
3 required by law to be made;

4 (3) the representative fails to obey a proper order of
5 the court that has jurisdiction with respect to the performance of
6 the representative's duties;

7 (4) the representative is proved to have been guilty
8 of gross misconduct, or mismanagement in the performance of the
9 representative's duties;

10 (5) the representative:

11 (A) becomes incapacitated;

12 (B) is sentenced to the penitentiary; or

13 (C) from any other cause, becomes incapable of
14 properly performing the duties of the representative's trust; or

15 (6) the representative, as executor or administrator,
16 fails to make a final settlement by the third anniversary of the
17 date letters testamentary or of administration are granted, unless
18 that period is extended by the court on a showing of sufficient
19 cause supported by oath.

20 (a-1) The court may remove a personal representative for a
21 reason described by Subsection (a) on:

22 (1) the court's own motion, after the personal
23 representative has been notified by a qualified delivery method to
24 answer at a time and place set in the notice; or

25 (2) the complaint of an interested person, after the
26 personal representative has been cited by personal service to
27 answer at a time and place set in the notice.

SECTION 3. Section 362.012, Estates Code, is amended to read as follows:

Sec. 362.012. DISCHARGE OF PERSONAL REPRESENTATIVE AND BOND SURETIES WHEN NO ESTATE PROPERTY REMAINS; CANCELLATION OF LETTERS.
If, on final settlement of the estate, none of the estate remains in the representative's possession, the [The] court shall enter an order:

(1) discharging a personal representative from the representative's trust;

(2) canceling the letters issued to the personal representative;

(3) discharging and releasing the sureties on the personal representative's bond, if applicable; and

(4) closing the estate ~~[if, on final settlement of the estate, none of the estate remains in the representative's possession]~~.

SECTION 4. Section 362.013, Estates Code, is amended to read as follows:

Sec. 362.013. DISCHARGE OF PERSONAL REPRESENTATIVE AND BOND SURETIES WHEN ESTATE FULLY ADMINISTERED; CANCELLATION OF LETTERS.

The court shall enter an order specifying the actions described by Sections 362.012(1), (2), and (3) ~~[discharging a personal representative from the representative's trust]~~ and declaring the estate closed when:

(1) the representative has fully administered the estate in accordance with this title and the court's orders;

(2) the representative's account for final settlement

has been approved; and

(3) the representative has:

(A) delivered all of the estate remaining in the representative's possession to the person or persons entitled to receive that part of the estate; and

(B) with respect to the portion of the estate distributable to an unknown or missing person, complied with an order of the court under Section 362.011.

SECTION 5. Section 405.001(c), Estates Code, is amended to read as follows:

(c) If all the property in the estate is ordered distributed by the court and the estate is fully administered, the court may also order the independent executor to file a final account with the court and may enter an order closing the administration, canceling the letters issued to the personal representative, and terminating the power of the personal representative [~~independent executor~~] to act as independent executor or independent administrator.

SECTION 6. Section 405.007(b), Estates Code, is amended to read as follows:

(b) The closing of an independent administration by filing of a closing report or notice of closing estate terminates the power and authority of the independent executor, including the independent administrator, and cancels the letters issued to the personal representative, but does not relieve the independent executor or administrator, as applicable, from liability for any mismanagement of the estate or from liability for any false statements contained in the report or notice.

SECTION 7. Section 405.009(a), Estates Code, is amended to read as follows:

(a) At any time after an estate has been fully administered and there is no further need for an independent administration of the estate, any distributee may file an application to close the administration; and, after citation on the independent administrator or other independent executor, as applicable, and on hearing, the court may enter an order:

(1) requiring the independent executor to file a closing report meeting the requirements of Section 405.005;

(2) closing the administration;

(3) terminating the power of the personal representative [~~independent executor~~] to act as independent executor or administrator, as applicable, and canceling the letters issued to the personal representative; and

(4) releasing the sureties on any bond the independent executor, including the independent administrator, was required to give from all liability for the future acts of the principal.

SECTION 8. Section 361.052, Estates Code, as amended by this Act, applies only to a motion made by a court or a complaint made by an interested person on or after the effective date of this Act. A motion made by a court or a complaint made by an interested person before the effective date of this Act is governed by the law in effect on the date the motion or complaint was made, and the former law is continued in effect for that purpose.

SECTION 9. This Act takes effect September 1, 2025.