

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

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**April 2, 2025**

**TO:** Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

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

**IN RE: SB1244** by Schwertner (Relating to unclaimed securities and virtual currency that are presumed abandoned.), **As Introduced**

**Passage of the bill would establish a process for the delivery of abandoned virtual currency to the state and subsequent sale of the abandoned virtual currency. The incidence of abandonment of virtual currency and any associated transactions that could occur (including any burden on the state of holding such an asset) are unknown. Therefore, the fiscal impact to the state cannot be estimated.**

The bill would amend Chapter 72 of the Property Code to define “security” and “virtual currency.” The bill would amend the existing language to specify that the three-year abandonment period for a security or virtual currency begins when a written or electronic communication to the owner is returned undelivered by electronic mail or electronic messaging.

The bill would provide criteria for ownership activity concerning a security or virtual currency to include: a transaction involving the security or virtual currency account; electronic access to the account; activity in another account with the same holder; and any action reasonably demonstrating owner awareness of the property's existence. The bill would remove references to “stock” and “intangible ownership interest” and replaces them with “security” or “virtual currency.”

The bill would amend Chapter 74 of the Property Code to require that if a holder has full control of the necessary private keys, they must transfer the virtual currency to the Comptroller or a designated custodian within 30 days. If a holder only has partial control of private keys, they must maintain the asset until transfer is possible and file a report. If the asset is non-transferable, the holder must attempt annual notifications to the owner(s) via mail or email.

The bill would prohibit the Comptroller from selling a virtual currency listed on an exchange for less than the market price. If the virtual currency is not listed on an exchange, the Comptroller must follow commercially reasonable methods to sell the asset.

The incidence of abandonment of virtual currency and any associated transactions that could occur (including any burden on the state of holding such an asset) are unknown. The fiscal impact to the state cannot be estimated.

According to the Comptroller of Public Accounts, the agency would need to engage in significant effort to identify companies to which the bill's provisions would apply. The agency would need to contract with an outside vendor to provide custodial services, as the agency does not have the expertise or resources to manage digital assets in their native form. As a result, the agency would have significant administrative costs, but those costs cannot be estimated at this time.

**Local Government Impact**

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

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JMc, RStu, SD, BRI