

**SUBJECT:** Authorizing the release of unclaimed property to certain persons

**COMMITTEE:** Business and Industry — committee substitute recommended

**VOTE:** 6 ayes — C. Turner, Hefner, Cain, Crockett, Ordaz Perez, Patterson  
1 nay — Lambert  
2 absent — Shine, S. Thompson

**WITNESSES:** For — Bobby Biedrzycki; Benjamin Holliday  
Against — None  
On — Bryant Clayton, Texas Comptroller of Public Accounts

**BACKGROUND:** Under Property Code sec. 74.501, the comptroller must review claims for unclaimed property to determine the validity of each claim. If the comptroller determines that a claim is valid, the comptroller or the comptroller's authorized agent must approve the claim.

**DIGEST:** CSHB 1981 would authorize the comptroller of public accounts to approve a claim for the release of unclaimed property filed by a person holding a limited power of attorney from the reported owner or the owner's heirs that authorized the person to receive the unclaimed property.

The limited power of attorney would have to be signed and attested by two or more credible witnesses who were at least 14 years of age and who subscribed their names to the power of attorney in their own handwriting in the presence of the reported owner or the reported owner's heirs. The signature of each attesting witness would have to be notarized. Each witness would be required to provide the notary public the witness's current name, physical address, telephone number, and driver's license number of the state of issuance, if any.

The bill would take effect September 1, 2021, and would prevail over

other bills of the 87th Legislature, Regular Session, 2021, relating to nonsubstantive additions to or corrections in enacted codes.

**SUPPORTERS  
SAY:**

CSHB 1981 would help expedite the return of some \$6 billion in unclaimed funds in the state. The bill would make it easier for individuals to recover these unclaimed funds, including utility deposits, oil and gas royalty payments, and other monies, by authorizing the comptroller of public accounts to allow a person with a limited power of attorney from the reported owner of unclaimed property or the owner's heirs to act on their behalf.

The bill's requirement that a limited power of attorney be attested and signed by two or more credible witnesses and that the witness signatures be notarized adds a layer of verification and fraud prevention to the recovery process.

**CRITICS  
SAY:**

CSHB 1981 could open the door to allowing persons to claim and recover funds to which they were not entitled. While the bill as substituted adds a layer of verification by requiring persons to present a limited power of attorney document that is notarized and attested to by two witnesses, fraud still would be possible. Texas' unclaimed property division of the comptroller's office would have to spend resources to verify that documentation presented was valid.

**NOTES:**

According to the Legislative Budget Board, the bill would have an estimated negative impact of about \$1.3 million to general revenue through fiscal 2023 and would add eight full-time equivalent state employees to administer the bill's provisions, with similar impact in subsequent biennia.