

BILL ANALYSIS

Senate Research Center
81R8201 AJA-D

S.B. 1589
By: Ogden, Wentworth
Finance
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The goal of this legislation is to increase the amount of unclaimed property that ultimately finds its way back to its rightful owner. The comptroller of public accounts (comptroller) hopes to accomplish this goal by notifying owners before the property is technically unclaimed and sent to the comptroller's office, or once property is technically unclaimed and is being held by the comptroller's office, the comptroller would like to be able to access the most updated data available to be able to make contact and return the unclaimed property.

As proposed, S.B. 1589 amends current law relating to the reporting of unclaimed property.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 4 (Section 411.0111, Government Code), SECTION 5 (Section 811.010, Government Code), SECTION 6 (Section 821.010, Government Code), and SECTION 7 (Section 301.086, Labor Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 74.101, Property Code, by amending Subsection (c) and adding Subsection (e), as follows:

(c) Requires that the property report include among other information the name, social security number, driver's license or state identification number, and e-mail address, if known, and the last known address, if any, of each person who, from the records of the holder of the property, appears to be the owner of the property; or any person who is entitled to the property, rather than the name and address, if known, of any person who is entitled to the property. Makes nonsubstantive changes.

(e) Requires that a penalty equal to five percent of the value of the property be imposed on a person who knowingly fails to report a social security number as required by Subsection (c).

SECTION 2. Amends Subchapter B, Chapter 74, Property Code, by adding Section 74.1011, as follows:

Sec. 74.1011. NOTICE BY PROPERTY HOLDER REQUIRED. (a) Requires a holder who on June 30 holds property valued at more than \$250 that is presumed abandoned under Chapter 72 (Abandonment of Personal Property), 73 (Property Held by Financial Institutions), or 75 (Texas Minerals) of this code or Chapter 154 (Prepaid Funeral Services), Finance Code, on or before the following August 1, except as provided by Subsection (b), to mail to any person who, from the records of the holder of the property appears to be the owner of the property or a person entitled to the property, written notice stating that the holder is holding the property and that the holder may be required to deliver the property to the comptroller of public accounts (comptroller) on or before November 1 if the property is not claimed.

(b) Requires a holder to send the notice required by this section to the last known address of the person who appears to be the property owner or a person entitled to the property. Provides that a holder who does not have a record of an address for

the property owner or any other person entitled to the property is not required to provide notice under this section.

(c) Authorizes a holder that provides notice under this section to charge the cost of the postage against the property held as a service charge.

SECTION 3. Amends the heading of Subchapter C, Chapter 74, to read as follows:

SUBCHAPTER C. NOTICE BY COMPTROLLER

SECTION 4. Amends Subchapter A, Chapter 411, Government Code, by adding Section 411.0111, as follows:

Sec. 411.0111. PROVISION OF CERTAIN INFORMATION TO COMPTROLLER.

(a) Requires the Department of Public Safety of the State of Texas (DPS), not later than June 1 of each year, to provide to the comptroller, for the purpose of assisting the comptroller in the identification of persons entitled to unclaimed property reported to the comptroller, the name, address, social security number, date of birth, and driver's license or state identification number of each person about whom DPS has such information in its records.

(b) Provides that information provided to the comptroller under this section is confidential and may not be disclosed to the public.

(c) Requires DPS to provide the information in the format prescribed by rule by the comptroller.

SECTION 5. Amends Subchapter A, Chapter 811, Government Code, by adding Section 811.010, as follows:

Sec. 811.010. PROVISION OF CERTAIN INFORMATION TO COMPTROLLER.

(a) Requires the Employees Retirement System of Texas (ERS), not later than June 1 of each year, to provide to the comptroller, for the purpose of assisting the comptroller in the identification of persons entitled to unclaimed property reported to the comptroller, the name, address, social security number, and date of birth of each member, retiree, and beneficiary from ERS's records.

(b) Provides that information provided to the comptroller under this section is confidential and may not be disclosed to the public.

(c) Requires ERS to provide the information in the format prescribed by rule by the comptroller.

SECTION 6. Amends Subchapter A, Chapter 821, Government Code, by adding Section 821.010, as follows:

Sec. 821.010. PROVISION OF CERTAIN INFORMATION TO COMPTROLLER. (a) Requires the Teacher Retirement System of Texas (TRS) to provide to the comptroller, not later than June 1 of each year, for the purpose of assisting the comptroller in the identification of persons entitled to unclaimed property reported to the comptroller, the name, address, social security number, and date of birth of each member, retiree, and beneficiary from TRS's records.

(b) Provides that information provided to the comptroller under this section is confidential and may not be disclosed to the public.

(c) Requires TRS to provide the information in the format prescribed by rule by the comptroller.

SECTION 7. Amends Subchapter F, Chapter 301, Labor Code, by adding Section 301.086, as follows:

Sec. 301.086. PROVISION OF CERTAIN INFORMATION TO COMPTROLLER. (a) Requires the Texas Workforce Commission (TWC), not later than June 1 of each year, to provide to the comptroller, for the purpose of assisting the comptroller in the identification of persons entitled to unclaimed property reported to the comptroller, the name, address, social security number, and date of birth of each person about whom TWC has such information in its records.

(b) Provides that information provided to the comptroller under this section is confidential and may not be disclosed to the public.

(c) Requires TWC to provide the information in the format prescribed by rule by the comptroller.

SECTION 8. Effective date: September 1, 2009.