

Registry Accounts

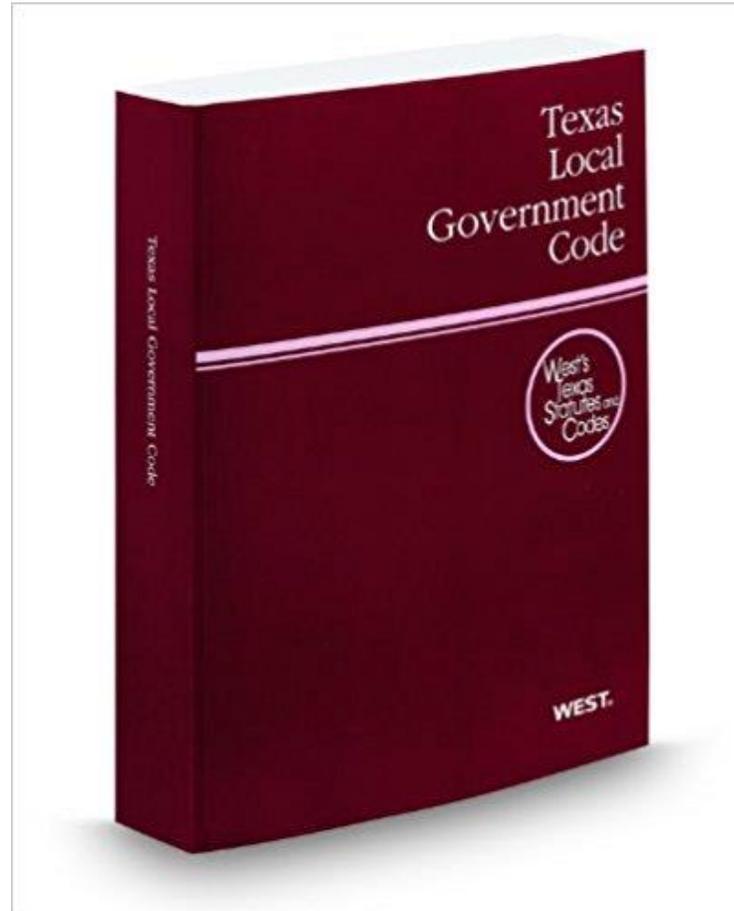


Presented by
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County Clerk, Wharton County, Texas



May 9, 2018

Local Gov. Code 117.125



117.001 Definitions

- (1) **Bank** means a banking corporation or association, an individual banker, or state or federal savings and loan association or saving bank.
- (2) **Clerk** means a county clerk, district clerk or a combination clerk.
- (3) **Registry funds** means funds tendered to the clerk for deposit into the registry of the court.
- (4) **Separate account** means funds transferred from a special account into a separate interest bearing account.
- (5) **Special account** means an account in a depository in which registry funds are placed.

117.002 Transfer of Unclaimed Funds

Any funds deposited under this chapter except cash bail bonds, that are presumed abandoned under Chapter 72, 73 or 75 Property Code, shall be reported and delivered by the county or district clerk to the comptroller without further action by any court. The dormancy period for funds deposited under this chapter begins on the later of:

- (1) **Date** of entry of final judgment or dismissal in action were funds were deposited;
- (2) **The 18th birthday** of the minor for whom the funds were deposited; or
- (3) **Reasonable date** established by rule by the comptroller.

117.081 Liability of County & District Clerks

(a) A county clerk or district clerk is not responsible for a loss of registry funds resulting from the failure or negligence of a depository.

(b) This section does not release a county clerk or a district clerk from:

(1) Liability for a loss of registry funds resulting from the clerk's official misconduct, negligence, or misappropriations of the funds; or

(2) Responsibility for keeping the registry funds safe until the clerk deposits.

117.122 Interest

(a) The interest earned from money on deposit in the registry fund shall be paid as earned.

(1) County gets 10% of the interest earned when funds are disbursed. Put in the General Fund of the county.

(2) 90% of the interest is credited to fund held in registry.

117.055 County Expenses Paid From Fees

(a) To compensate the county for the accounting and administrative expenses incurred in handling registry funds that have not earned interest, including funds in a special or separate account, the clerk shall at the time of withdrawal, deduct from the amount a fee equal to 5% of withdrawal but may not exceed \$50.00. Withdrawal of funds generated from a case in Family Code is exempt from the fee deduction

Steps in Wharton County:



- 1.** Receive order to deposit funds in registry of court. If information required to open interest bearing account not provided then money stays in non-interest account till provided. See form:
- 2.** Registry account is in county's depository bank. It is an non-interest account. Notify County Treasurer how much money I have so it is covered by the bank.
- 3.** Open individual account to draw interest when proper papers filed.
- 4.** Set up in computer and track interest.
- 5.** Disbursed after order from the Judge after presented ID of person. or if minor, a copy of the birth certificate. Interest bearing account county keeps 10% of interest earned. If non-interest 5% not to exceed \$50.00. 1099 when money is disbursed to individual.

Steps in Wharton County (continued):

All funds go into a non-interest registry account. Then the funds are move to an interest bearing account. When disbursed, the interest bearing account is closed, and the funds are returned to a non-interest registry and disbursed from there.

There are other funds in which you can invest. Just make sure the funds are properly invested. If not sure check with your County Treasurer or Auditor.

SB 1764 Termination of Guardianship of Estate on Establishment of ABLE Account by Certain Persons. Sec. 1. Subchapter A, Chapter 1202 Estates Code. This is interesting reading but applies to Judges. Property Code Chapter 142 Management of Property Recovered in suit by a next friend or guardian ad litem. Also applies to Judges.