



General Assembly

February Session, 2016

Raised Bill No. 5533

LCO No. 2528



Referred to Committee on JUDICIARY

Introduced by:
(JUD)

AN ACT CONCERNING THE TIME PERIOD FOR FUNDS TO ESCHEAT TO THE STATE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 3-57a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2016*):

3 (a) The following property held or owing by a banking or financial
4 organization is presumed abandoned unless the owner thereof is
5 known to be living by an officer of such organization:

6 (1) Any demand or savings deposit made in this state with a
7 banking organization, together with any interest or dividend thereon,
8 excluding any charges that lawfully may be withheld, unless the
9 owner has, within [three] seven years: (A) Increased or decreased the
10 amount of the deposit, or presented the passbook or other similar
11 evidence of the deposit for the crediting of interest; or (B)
12 corresponded in writing with the banking organization concerning the
13 deposit; or (C) otherwise indicated an interest in the deposit as
14 evidenced by (i) a memorandum on file with the banking organization

15 or (ii) the fact that the Internal Revenue Service Form 1099 sent from
16 the banking organization to the owner is not returned to the banking
17 organization by the United States Postal Service.

18 (2) Any matured time deposit made in this state with a banking
19 organization, together with any interest or dividend thereon,
20 excluding any charges that lawfully may be withheld, unless, within
21 [three] seven years or, if the terms of the deposit account contract
22 provide that the time deposit will be renewed unless the banking
23 institution receives instructions to the contrary from the owner, within
24 [three] seven years plus such additional time as is necessary to allow
25 the renewed time deposit to reach maturity, the owner has: (A)
26 Increased or decreased the amount of the deposit, or presented the
27 passbook or other similar evidence of the deposit for the crediting of
28 interest, or (B) corresponded in writing with the banking organization
29 concerning the deposit, or (C) otherwise indicated an interest in the
30 deposit as evidenced by (i) a memorandum on file with the banking
31 organization or (ii) the fact that the Internal Revenue Service Form
32 1099 sent from the banking organization to the owner is not returned
33 to the banking organization by the United States Postal Service.

34 (3) Any funds paid in this state toward the purchase of shares or
35 other interest in a financial organization or any deposit made
36 therewith, and any interest or dividends thereon, excluding any
37 charges that lawfully may be withheld, unless the owner has within
38 [three] seven years: (A) Increased or decreased the amount of the
39 investment or deposit, or presented an appropriate record for the
40 crediting of interest or dividends thereon; or (B) corresponded in
41 writing with the financial organization concerning the investment or
42 deposit; or (C) otherwise indicated an interest in the funds as
43 evidenced by (i) a memorandum on file with the financial organization
44 or (ii) the fact that the Internal Revenue Service Form 1099 sent from
45 the financial organization to the owner is not returned to the financial
46 organization by the United States Postal Service.

47 (4) Any sum payable on checks certified in this state or on written
48 instruments issued in this state on which a banking or financial
49 organization is directly liable, including, but not limited to, money
50 orders, drafts and traveler's checks, which has been outstanding for
51 more than [three] seven years from the date payable, or from the date
52 of its issuance if payable on demand, unless the owner has within such
53 [three] seven years corresponded in writing with the banking or
54 financial organization concerning it, or otherwise indicated an interest
55 as evidenced by (i) a memorandum on file with the banking or
56 financial organization or (ii) the fact that the Internal Revenue Service
57 Form 1099 sent from the banking or financial organization to the
58 owner is not returned to the banking or financial organization by the
59 United States Postal Service.

60 (5) Any funds or other personal property reposing in or removed
61 from a safe deposit box or any other safekeeping repository in this
62 state on which the lease or rental period has expired owing to
63 nonpayment of rent or other reason, which have been unclaimed by
64 the owner for more than five years from the date on which the lease or
65 rental period expired.

66 (b) With respect to any funds subject to the provisions of
67 subdivisions (1), (2) and (3) of subsection (a) of this section which are
68 held or owing for purposes of a self-employed retirement plan or an
69 individual retirement account, established in accordance with the
70 applicable provisions of the Internal Revenue Code and federal
71 regulations related thereto, such funds shall be presumed abandoned
72 in accordance with said subdivisions (1), (2) and (3), provided in no
73 event shall such presumption of abandonment be applicable to such
74 funds prior to the end of a period of six months immediately following
75 the date on which distribution of funds under any such plan, to the
76 person for whose benefit such funds have been contributed, is required
77 to commence under said provisions of the Internal Revenue Code and
78 related regulations.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2016</i>	3-57a

Statement of Purpose:

To extend the time in which certain funds are deemed escheated to the state from three years to seven years.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]