



House of Representatives

General Assembly

File No. 73

February Session, 2018

Substitute House Bill No. 5319

House of Representatives, March 28, 2018

The Committee on Veterans' Affairs reported through REP. HENNESSY of the 127th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING PROCEEDS FROM THE SALE OF PROPERTY PRESUMED ABANDONED BY VETERANS' CHARITABLE ORGANIZATIONS.

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

1 Section 1. Section 3-69a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2018*):

3 (a) (1) For the fiscal year ending June 30, 2005, the funds received
4 under this part, excluding the proceeds from the sale of property
5 deposited in the Special Abandoned Property Fund in accordance with
6 section 3-62h, shall be deposited in the General Fund.

7 (2) For the fiscal year ending June 30, 2006, and each fiscal year
8 thereafter, a portion of the funds received under this part shall, upon
9 deposit in the General Fund, be credited to the Citizens' Election Fund
10 established in section 9-701 as follows: (A) For the fiscal year ending
11 June 30, 2006, seventeen million dollars, (B) for the fiscal year ending
12 June 30, 2007, sixteen million dollars, (C) for the fiscal year ending June

13 30, 2008, seventeen million three hundred thousand dollars, and (D)
14 for the fiscal year ending June 30, 2009, and each fiscal year thereafter,
15 the amount deposited for the preceding fiscal year, adjusted in
16 accordance with any change in the consumer price index for all urban
17 consumers for such preceding fiscal year, as published by the United
18 States Department of Labor, Bureau of Labor Statistics. The State
19 Treasurer shall determine such adjusted amount not later than thirty
20 days after the end of such preceding fiscal year.

21 (3) For the fiscal year ending June 30, 2019, and each fiscal year
22 thereafter, all proceeds received under this part from the sale of
23 property presumed abandoned by any veterans' charitable
24 organization shall be deposited in the institutional general welfare
25 fund of the Department of Veterans Affairs. As used in this
26 subdivision, "veterans' charitable organization" means any person
27 organized under chapter 602, or any predecessor statutes thereto, or
28 under Section 501(c) of the Internal Revenue Code of 1986, or any
29 subsequent corresponding internal revenue code of the United States,
30 as amended from time to time, that holds itself out to be established
31 for any benevolent, educational, philanthropic, humane, scientific,
32 patriotic, social welfare or advocacy purpose relating to or on behalf of
33 veterans.

34 (b) All costs incurred in the administration of this part, except as
35 provided in section 3-62h and subsection (a) of this section, and all
36 claims allowed under this part shall be paid from the General Fund.

37 Sec. 2. Subsection (b) of section 9-750 of the general statutes is
38 repealed and the following is substituted in lieu thereof (*Effective July*
39 *1, 2018*):

40 (b) Notwithstanding the provisions of section 3-69a, as amended by
41 this act, if funds are deposited into the Citizens' Election Fund
42 pursuant to the provisions of subdivision (2) of subsection (a) of this
43 section, the aggregate amount of any such deposits shall be deducted
44 from the amount deposited into said fund under subdivision (2) of
45 subsection (a) of section 3-69a, as amended by this act, for the

46 following fiscal year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2018</i>	3-69a
Sec. 2	<i>July 1, 2018</i>	9-750(b)

Statement of Legislative Commissioners:

Title was changed.

VA *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Department of Veterans' Affairs	IGWF - Revenue Gain	Potential Indeterminate	Potential Indeterminate
Treasurer	GF - Revenue Loss	Potential Indeterminate	Potential Indeterminate

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which requires that proceeds of sale of property abandoned by veterans' charitable organizations be deposited in Department of Veterans Affairs' Institutional General Welfare Fund (IGWF) rather than the General Fund, is a potential revenue loss for the General Fund and revenue gain to the IGWF.

The magnitude of the offsetting changes in revenue between the funds is unknown. The Office of the State Treasurer, which is directed to implement the provisions of the bill, does not have sufficient information to determine what property would have fallen under the bill's provisions in the past. Likewise, the potential lack of information going forward on what, if any, abandoned property meets the bill's specifications is expected to limit the magnitude of any revenue transfer from the General Fund to the IGWF.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future.

OLR Bill Analysis

sHB 5319

AN ACT CONCERNING PROCEEDS FROM THE SALE OF PROPERTY PRESUMED ABANDONED BY VETERANS' CHARITABLE ORGANIZATIONS.

SUMMARY

This bill requires the state treasurer, annually starting FY 19, to deposit all proceeds from the sale of property presumed abandoned by a veterans' charitable organization to the Department of Veterans Affairs' Institutional General Welfare Fund (IGWF) instead of the General Fund. By law, the IGWF is used for departmental operating expenditures that directly benefit veterans, the Veterans Residential Services facility, or the Healthcare Center. (Under the law, the names and addresses of the apparent owners of unclaimed property reported or transferred to the treasurer are published biannually (CGS § 3-66a). However, even though the treasurer may know the name of the apparent owner, it may not be possible to identify the owner as a veterans' charitable organization just by its name. This may make the bill unworkable.)

Under the bill, a "veterans' charitable organization" is a Connecticut nonstock corporation or 501(c) tax exempt organization, established for various purposes (e.g., philanthropic, advocacy, or educational) relating to or on behalf of veterans.

EFFECTIVE DATE: July 1, 2018

COMMITTEE ACTION

Veterans' Affairs Committee

Joint Favorable

Yea 14 Nay 0 (03/14/2018)