



General Assembly

February Session, 2022

Raised Bill No. 379

LCO No. 2686



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT IMPLEMENTING THE TREASURER'S RECOMMENDATIONS CONCERNING THE UNCLAIMED PROPERTY PROGRAM.

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

1 Section 1. Section 3-66a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) [During the 2016 calendar year and every second year thereafter,
4 the Treasurer shall cause notice to be posted electronically on the
5 Treasurer's Internet web site of all property having a value of fifty
6 dollars or more reported and transferred to the Treasurer which was
7 presumed abandoned during preceding calendar years and notice of
8 which was not previously published or posted. In addition to such
9 posted notice, the Treasurer may make such notice accessible to the
10 public electronically through additional telecommunications methods
11 as the Treasurer deems cost effective and appropriate.] The Treasurer
12 shall maintain a readily searchable list of property presumed
13 abandoned and reported or transferred to the Treasurer under this part
14 and for which there is sufficient information for the Treasurer to identify

15 the apparent owner of such property.

16 (b) The [posted notice] searchable list required under subsection (a)
17 of this section shall contain: (1) The names [, in alphabetical order,] and
18 the last-known addresses, if any, of all persons reported as the apparent
19 owners of unclaimed property, [and (2) a statement that any person
20 possessing an interest in such property may obtain from the Treasurer]
21 (2) information concerning the amount and description of such property
22 and the name and address of the holder thereof, [free of charge. The
23 Treasurer may cause to be posted at any time, in the manner prescribed
24 in subsection (a) of this section, an additional notice stating that such list
25 may be obtained from other specified sources] and (3) such other
26 information as may be required by the Treasurer.

27 [(c) The Treasurer may insert in any such notice such additional
28 information as the Treasurer deems necessary for the proper
29 administration of this part.

30 (d) The provisions of this section shall not apply to items reported in
31 the aggregate pursuant to subsection (h) of section 3-65a.]

32 Sec. 2. Section 3-69a of the general statutes is repealed and the
33 following is substituted in lieu thereof (*Effective from passage*):

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

38 [(2)] (a) (1) For the fiscal year ending June 30, 2006, and each fiscal
39 year thereafter, a portion of the funds received under this part shall,
40 upon deposit in the General Fund, be credited to the Citizens' Election
41 Fund established in section 9-701 as follows: (A) For the fiscal year
42 ending June 30, 2006, seventeen million dollars, (B) for the fiscal year
43 ending June 30, 2007, sixteen million dollars, (C) for the fiscal year
44 ending June 30, 2008, seventeen million three hundred thousand dollars,
45 and (D) for the fiscal year ending June 30, 2009, and each fiscal year

46 thereafter, the amount deposited for the preceding fiscal year, adjusted
47 in accordance with any change in the consumer price index for all urban
48 consumers for such preceding fiscal year, as published by the United
49 States Department of Labor, Bureau of Labor Statistics. The [State]
50 Treasurer shall determine such adjusted amount not later than thirty
51 days after the end of such preceding fiscal year.

52 (b) [All costs incurred in the administration of this part, except as
53 provided in section 3-62h and subsection (a) of this section, and all
54 claims allowed under this part shall be paid from the General Fund.] (1)
55 There is established an account to be known as the "unclaimed property
56 expenses account" which shall be a separate, nonlapsing account within
57 the General Fund. The account shall contain any moneys required by
58 law to be deposited in the account. Moneys in the account shall be
59 expended by Treasurer for the purpose of paying expenses incurred in
60 the administration of this part, including, but not limited to, costs
61 incurred to market the unclaimed property program.

62 (2) (A) For the fiscal year ending June 30, 2023, the Treasurer shall
63 deposit in such account, from property reported or transferred to the
64 Treasurer under this part in the preceding fiscal year, an amount not less
65 than seven million dollars.

66 (B) For the fiscal year ending June 30, 2024, and each fiscal year
67 thereafter, the Treasurer shall deposit in such account, from property
68 reported or transferred to the Treasurer under this part in the preceding
69 fiscal year, the amount deposited in such account for the preceding fiscal
70 year, adjusted in accordance with any change in the consumer price
71 index for all urban consumers for such preceding fiscal year, as
72 published by the United States Department of Labor, Bureau of Labor
73 Statistics. The Treasurer shall determine such adjusted amount not later
74 than thirty days after the end of such preceding fiscal year.

75 Sec. 3. Section 3-62e of the general statutes is repealed and the
76 following is substituted in lieu thereof (*Effective from passage*):

77 When any funds or property [which] that have escheated under

78 sections 3-62b to 3-62g, inclusive, have been recovered by the Treasurer,
79 except as otherwise provided in section 3-62h, he or she shall pay all
80 costs incident to the collection and recovery of such funds and property
81 [which] that have not been paid from the Special Abandoned Property
82 Fund created under section 3-62h and, except as otherwise provided in
83 subsection (b) of section 3-69a, as amended by this act, shall promptly
84 deposit the balance of such funds or property into the General Fund for
85 the use of the state.

86 Sec. 4. Section 3-70a of the general statutes is repealed and the
87 following is substituted in lieu thereof (*Effective from passage*):

88 (a) Any person claiming an interest in property surrendered to the
89 Treasurer under the provisions of this part may claim such property, or
90 the proceeds from the sale thereof, at any time thereafter. Any person
91 claiming an interest in such property shall file a certified claim with the
92 Treasurer, setting forth the facts upon which such party claims to be
93 entitled to recover such [money or] property. The Treasurer shall
94 prescribe the form that such a verified claim shall take.

95 (b) The Treasurer shall consider each claim not later than ninety days
96 after it is filed. The Treasurer may hold hearings on any claim and may
97 refer any claim to the Office of the Claims Commissioner, which shall
98 hold hearings thereon and promptly return the Claims Commissioner's
99 recommendations for the payment or rejection thereof. The Treasurer
100 shall deliver the Treasurer's decision in writing on each claim heard,
101 with a finding of fact and a statement of the reasons for the Treasurer's
102 decision. Any person aggrieved by a decision of the Treasurer may
103 appeal therefrom in accordance with the provisions of section 4-183,
104 except venue for such appeal shall be in the judicial district of New
105 Britain.

106 (c) (1) (A) No agreement entered into prior to the effective date of this
107 section to locate property shall be valid if: [(1)] (i) Such agreement is
108 entered into [(A)] (I) within two years after the date a report of
109 unclaimed property is required to be filed under section 3-65a, as

110 amended by this act, or [(B)] (II) between the date such a report is
111 required to be filed under said section and the date it is filed under said
112 section, whichever period is longer; [, (2)] (ii) such agreement is entered
113 into within two years after the date of posting of the notice required by
114 section 3-66a, as amended by this act; or [(3)] (iii) pursuant to such
115 agreement, any person undertakes to locate property included in a
116 report of unclaimed property that is required to be filed under section
117 3-65a, as amended by this act, for a fee or other compensation exceeding
118 ten per cent of the value of the recoverable property.

119 (B) No agreement entered into on or after the effective date of this
120 section to locate property shall be valid if: (i) Such agreement is entered
121 into (I) within two years after the date a report of unclaimed property is
122 required to be filed under section 3-65a, as amended by this act, or (II)
123 between the date such a report is required to be filed under said section
124 and the date it is filed under said section, whichever period is longer; or
125 (ii) pursuant to such agreement, any person undertakes to locate
126 property included in a report of unclaimed property that is required to
127 be filed under section 3-65a, as amended by this act, for a fee or other
128 compensation exceeding ten per cent of the value of the recoverable
129 property.

130 (2) An agreement to locate property shall be valid only if it is in
131 writing, signed by the owner, and discloses the nature and value of the
132 property, and the owner's share after the fee or compensation has been
133 subtracted is clearly stipulated. Nothing in this section shall be
134 construed to prevent an owner from asserting, at any time, that any
135 agreement to locate property is based upon excessive or unjust
136 consideration.

137 (d) The Treasurer shall pay each claim allowed without deduction for
138 costs of notices or sale or for service charges. The Treasurer shall notify
139 the Commissioner of Revenue Services of the payment of claims of five
140 hundred dollars or more to the domiciliary administrator or executor of
141 a deceased owner.

142 (e) In the case of any claim allowed under this section for property,
143 funds or money delivered to the Treasurer pursuant to subdivision (1)
144 or (2) of subsection (a) of section 3-57a, the Treasurer shall pay such
145 claim with interest as follows: For each calendar year or portion thereof
146 that the property, funds or money has been paid or delivered to the
147 Treasurer, the Treasurer shall pay interest at a rate that is not less than
148 the deposit index, as determined under section 36a-26, for such year.
149 Such interest shall accrue from the date of payment or delivery of the
150 property, funds or money to the Treasurer until the date of payment or
151 delivery of the property, funds or money to the claimant.

152 (f) (1) Notwithstanding the provisions of subsection (a) of this section,
153 on and after January 1, 2023, where the amount of a property reported
154 or transferred to the Treasurer under this part is less than two thousand
155 five hundred dollars, the Treasurer may pay such amount to an
156 individual if the Treasurer has determined (A) that such individual is
157 the sole owner of such property, and (B) to the Treasurer's satisfaction,
158 the current address of such individual.

159 (2) Notwithstanding any provision of law, for purposes of
160 subdivision (1) of this subsection, the Treasurer may provide an
161 individual's Social Security number or taxpayer identification number
162 to the Department of Revenue Services, the Department of Motor
163 Vehicles or the Labor Department, or any combination thereof, and the
164 requested department shall confirm or provide the name and current
165 address of the individual associated with such Social Security number
166 or taxpayer identification number according to the department's
167 records. Any information disclosed to the Treasurer pursuant to this
168 subdivision may not be redisclosed by the Treasurer.

169 Sec. 5. Section 3-65a of the general statutes is repealed and the
170 following is substituted in lieu thereof (*Effective January 1, 2023*):

171 (a) Within one hundred eighty days before a presumption of
172 abandonment is to take effect in respect to property subject to section 3-
173 60b or 3-60c and within one year before a presumption of abandonment

174 is to take effect in respect to all other property subject to this part, and if
175 the owner's claim is not barred by law, the holder shall notify the owner
176 thereof, by first class mail directed to the owner's last-known address,
177 that evidence of interest must be indicated as required by this part or
178 such property will be transferred to the Treasurer and will be subject to
179 escheat to the state.

180 (b) [Within] Not later than ninety days after the close of the calendar
181 year in which property is presumed abandoned, the holder shall pay or
182 deliver such property to the Treasurer and file, on forms [which] that
183 the Treasurer shall provide, a report of unclaimed property. Each report
184 shall be verified and shall include: (1) The name, if known, and last-
185 known address, if any, of each person appearing to be the owner of such
186 property; (2) in case of unclaimed funds of an insurance company, the
187 full name of the insured or annuitant and beneficiary and his or her last-
188 known address appearing on the insurance company's records; (3) the
189 nature and identifying number, if any, or description of the property
190 and the amount appearing from the records to be due; [except that the
191 holder shall report in the aggregate items having a value of less than
192 fifty dollars;] (4) the date when the property became payable,
193 demandable or returnable and the date of the last transaction with the
194 owner with respect to the property; (5) if the holder is a successor to
195 other holders, or if the holder has changed the holder's name, all prior
196 known names and addresses of each holder of the property; and (6) such
197 other information as the Treasurer may require.

198 (c) Verification, if made by a partnership, shall be executed by a
199 partner; if made by an unincorporated association or private
200 corporation, by an officer; and if made by a public corporation, by its
201 chief fiscal officer.

202 (d) The Treasurer shall keep a permanent record of all reports
203 submitted to the Treasurer pursuant to this section.

204 (e) Except for claims paid under section 3-67a, as amended by this act,
205 and except as provided in subsection (e) of section 3-70a, as amended

206 by this act, no owner shall be entitled to any interest, income or other
207 increment [which] that may accrue to property presumed abandoned
208 from and after the date of payment or delivery to the Treasurer.

209 (f) The Treasurer may decline to receive any property the value of
210 which is less than the cost of giving notice or holding sale, or may
211 postpone taking possession until a sufficient sum accumulates.

212 (g) The Treasurer, or any officer or agency designated by the
213 Treasurer, may examine any person on oath or affirmation, or the
214 records of any person or any agent of the person including, but not
215 limited to, a dividend disbursement agent or transfer agent of a business
216 association, banking organization or insurance company that is the
217 holder of property presumed abandoned to determine whether the
218 person or agent has complied with this part. The Treasurer may conduct
219 the examination even if the person or agent believes the person or agent
220 is not in possession of any property that must be paid, delivered or
221 reported under this part. The Treasurer may bring an action in a court
222 of appropriate jurisdiction to enforce the provisions of this part.

223 [(h) Upon request of the holder, the Treasurer may approve the
224 aggregate reporting on an estimated basis of two hundred or more items
225 in each of one or more categories of unclaimed funds whenever it
226 appears to the Treasurer that each of the items in any such category has
227 a value of more than ten dollars but less than fifty dollars and the cost
228 of reporting such items would be disproportionate to the amounts
229 involved. Any holder electing to so report any such category in the
230 aggregate shall assume responsibility for any valid claim presented
231 within twenty years after the year in which the items in such category
232 are presumed abandoned.]

233 [(i)] (h) A record of the issuance of a check, draft or similar instrument
234 is prima facie evidence of the obligation represented by the check, draft
235 or similar instrument. In claiming property from a holder who is also
236 the issuer, the Treasurer's burden of proof as to the existence and
237 amount of the property and its abandonment is satisfied by showing

238 issuance of the instrument and passage of the requisite period of
239 abandonment. Defenses of payment, satisfaction, discharge and want of
240 consideration are affirmative defenses that shall be established by the
241 holder.

242 [(j)] (i) Notwithstanding the provisions of subsection (b) of this
243 section, the holder of personal property presumed abandoned pursuant
244 to subdivision (5) of subsection (a) of section 3-57a shall (1) sell such
245 property and pay the proceeds arising from such sale, excluding any
246 charges that may lawfully be withheld, to the Treasurer, unless such
247 property consists of military medals, in which case such property shall
248 not be sold, and (2) provide the Treasurer with records deemed
249 appropriate by the Treasurer of property so presumed abandoned. A
250 holder of such property may contract with a third party to store and sell
251 such property and to pay the proceeds arising from such sale, excluding
252 any charges that may be lawfully withheld, to the Treasurer, provided
253 the third party holds a surety bond or other form of insurance coverage
254 with respect to such activities. Any holder who sells such property and
255 remits the excess proceeds to the Treasurer or who transmits such
256 property to a bonded or insured third party for such purposes, shall not
257 be responsible for any claims related to the sale or transmission of the
258 property or proceeds to the Treasurer. If the Treasurer exempts any such
259 property from being remitted or sold pursuant to this subsection,
260 whether by regulations or guidelines, the holder of such property may
261 dispose of such property in any manner such holder deems appropriate
262 and such holder shall not be responsible for any claims related to the
263 disposition of such property or any claims to the property itself. For
264 purposes of this subsection, charges that may lawfully be withheld
265 include costs of storage, appraisal, advertising and sales commissions as
266 well as lawful charges owing under the contract governing the safe
267 deposit box rental.

268 [(k)] (j) In the event military medals are presumed abandoned
269 pursuant to subdivision (5) of subsection (a) of section 3-57a, a banking
270 or financial organization shall transmit such medals to the Department
271 of Veterans Affairs in accordance with procedures established by the

272 Treasurer. The Treasurer and Commissioner of Veterans Affairs shall
 273 enter into a memorandum of understanding concerning the handling of
 274 such medals and the Department of Veterans Affairs shall hold such
 275 medals in custody pursuant to such memorandum. The Treasurer may
 276 make any information obtained pursuant to this section, including any
 277 photograph or other visual depiction of a military medal but excluding
 278 Social Security numbers, available to the public to facilitate the
 279 identification of the original owner of such medal or such owner's heirs
 280 or beneficiaries.

281 Sec. 6. Subsection (a) of section 3-67a of the general statutes is
 282 repealed and the following is substituted in lieu thereof (*Effective January*
 283 *1, 2023*):

284 (a) Upon payment or delivery of property presumed abandoned to
 285 the Treasurer, the state shall assume custody and [, except as otherwise
 286 provided in subsection (h) of section 3-65a,] shall be responsible for all
 287 claims thereto. If, after payment or delivery to the Treasurer, any holder
 288 is compelled by authority of another jurisdiction to make a second
 289 payment, the Treasurer, upon proof thereof, shall refund to the holder
 290 the amount of such second payment not in excess of the amount paid or
 291 realized under the provisions of this part.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	3-66a
Sec. 2	<i>from passage</i>	3-69a
Sec. 3	<i>from passage</i>	3-62e
Sec. 4	<i>from passage</i>	3-70a
Sec. 5	<i>January 1, 2023</i>	3-65a
Sec. 6	<i>January 1, 2023</i>	3-67a(a)

Statement of Purpose:

To implement the Treasurer's recommendations concerning the unclaimed property program.

[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.]

