

2755

FISCAL NOTE (Form 3)  
(Office of Fiscal Analysis)  
Analyst: GJD/JF 6/1/92  
tc  
Version: 3

BILL NUMBER: sSB 502  
FILE NUMBER:  
AMENDMENTS: Senate "B"

TITLE: "AN ACT CONCERNING EXPENDITURES FOR THE ADMINISTRATION OF THE UNCLAIMED PROPERTY PROGRAM WITHIN THE OFFICE OF THE STATE TREASURER AND THE COMMERCIAL RECORDING DIVISION WITHIN THE OFFICE OF THE SECRETARY OF THE STATE"

FAVORABLY REPORTED BY Appropriations

EFFECTIVE DATE: 7/1/92

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FISCAL IMPACT STATEMENT - BILL NUMBER SSB 502

STATE IMPACT Implements a Provision in the Budget, see below  
MUNICIPAL IMPACT None  
STATE AGENCY(S) State Treasurer, Office of the Secretary of the State

	Current FY	1992-93	1993-94
State Cost (Savings)	:	:(2,474,157)	:
St Revenue (Loss)	:	:(2,474,157)	:
Net St Cost (savings)	:	0	:
Municipal Impact	:	:	:

EXPLANATION OF ESTIMATES:

It is anticipated that passage of this bill as amended will result in a total General Fund savings of \$2,474,157 in FY 1992-93. The bill results in a savings to the General Fund totalling \$503,774 (\$377,747 and 12 positions in Personal Services and \$126,027 in Other Expenses) from removing expenses associated with the Unclaimed Property Unit in the Office of the State Treasurer. Such expenses will be paid from the proceeds of escheats claims and will reduce revenue from Unclaimed Property by a like amount. There will be a minimal revenue gain to the State from the reducing of the interest rate (from 5 1/4% to 4%) on the escheated funds paid to claimants.

An additional savings to the General Fund in the amount of \$1,970,383 is anticipated to result from establishing a separate non-lapsing account for the Corporation's Division within the Office of the Secretary of the State. The savings would have the effect of removing 41 positions and \$1,610,730 in Personal Services and \$159,653 in Other Expenses from the General Fund.

It should be noted that the establishment of the non-lapsing accounts will result in the removal of these aspects of the agency's operations from the legislative budgetary process.

Senate "B" increased the total amount that is to be deposited in the commercial recording account by \$258,200.

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