



Senate

General Assembly

File No. 340

January Session, 2025

Substitute Senate Bill No. 1434

Senate, March 31, 2025

The Committee on Government Administration and Elections reported through SEN. FLEXER of the 29th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

**AN ACT IMPLEMENTING THE TREASURER'S RECOMMENDATIONS
FOR REVISIONS CONCERNING UNCLAIMED PROPERTY.**

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

1 Section 1. Section 3-56a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2025*):

3 As used in this part and section 2 of this act, unless the context
4 otherwise requires:

5 (1) "Apparent owner" means the person whose name appears on the
6 records of the holder as the person entitled to the property held, issued
7 or owing by the holder;

8 (2) "Banking organization" means any state bank and trust company,
9 national banking association or savings bank engaged in business in this
10 state;

11 (3) "Business association" means a corporation, joint stock company,
12 partnership, unincorporated association, joint venture, limited liability

13 company, business trust, trust company, safe deposit company,
14 financial organization, insurance company, person engaged in the
15 business of operating or controlling a mutual fund, utility or other
16 business entity consisting of one or more persons, whether or not for
17 profit;

18 (4) "Financial organization" means any savings and loan association,
19 credit union or investment company;

20 (5) "Funeral service contract" has the same meaning as provided in
21 section 42-200;

22 [(5)] (6) "Gift certificate" means a record evidencing a promise, made
23 for consideration, by the seller or issuer of the record that goods or
24 services will be provided to the owner of the record to the value shown
25 in the record and includes, but is not limited to, a record that contains a
26 microprocessor chip, magnetic stripe or other means for the storage of
27 information that is prefunded and for which the value is decremented
28 upon each use, a gift card, an electronic gift card, stored-value card or
29 certificate, a store card, or a similar record or card, but "gift certificate"
30 does not include prepaid calling cards regulated under section 42-370,
31 prepaid commercial mobile radio services, as defined in 47 CFR 20.3 or
32 general-use prepaid cards, as defined in section 42-460a;

33 [(6)] (7) "Holder" means any person in possession of property subject
34 to this part which belongs to another, or who is trustee in case of a trust,
35 or who is indebted to another on an obligation subject to this part;

36 [(7)] (8) "Insurance company" means an association, corporation or
37 fraternal or mutual benefit organization, whether or not for profit,
38 engaged in the business of providing life endowments, annuities or
39 insurance, including accident, burial, casualty, credit life, contract
40 performance, dental, disability, fidelity, fire, health, hospitalization,
41 illness, life, malpractice, marine, mortgage, surety, wage protection and
42 workers' compensation insurance;

43 [(8)] (9) "Last-known address" means [a description of the location of

44 the apparent owner sufficient for the purpose of delivery of mail] any
45 description, code or other indication of the location of the apparent
46 owner that identifies the state, even if such description, code or
47 indication is insufficient for the purpose of the delivery of first-class
48 United States mail to the apparent owner;

49 [(9)] (10) "Mineral" means gas; oil; other gaseous, liquid [,] and solid
50 hydrocarbons; oil shale; cement material; sand and gravel; road
51 material; building stone; chemical raw material; gemstone; fissionable
52 and nonfissionable ores; colloidal and other clay; steam and other
53 geothermal resource; or any other substance defined as a mineral by the
54 law of this state;

55 [(10)] (11) "Mineral proceeds" means amounts payable for the
56 extraction, production or sale of minerals, or, upon the abandonment of
57 those payments, all payments that become payable thereafter, and
58 "mineral proceeds" includes amounts payable: (A) For the acquisition
59 and retention of a mineral lease, including bonuses, royalties,
60 compensatory royalties, shut-in royalties, minimum royalties and delay
61 rentals; (B) for the extraction, production or sale of minerals, including
62 net revenue interests, royalties, overriding royalties, extraction
63 payments and production payments; and (C) under an agreement or
64 option, including a joint operating agreement, unit agreement, pooling
65 agreement and farm-out agreement;

66 [(11)] (12) "Owner" means a depositor in case of a deposit, a
67 beneficiary in case of a trust, a creditor, claimant or payee in case of other
68 choses in action, or any person having a legal or equitable interest in
69 property subject to this part, or such person's legal representative;

70 [(12)] (13) "Person" means any individual, business association,
71 estate, trust, government, governmental subdivision, agency or
72 instrumentality, or any other legal or commercial entity;

73 [(13)] (14) "Property" means realty or personalty, tangible or
74 intangible, and includes, but is not limited to, virtual currency;

75 ~~[(14)]~~ (15) "Record" means information that is inscribed on a tangible
76 medium or that is stored in an electronic or other medium and is
77 retrievable in perceivable form;

78 ~~[(15)]~~ (16) "Treasurer" means the Treasurer of the state of Connecticut;

79 ~~[(16)]~~ (17) "Utility" means a person who owns or operates for public
80 use any plant, equipment, real property, franchise or license for the
81 transmission of communications or the production, storage,
82 transmission, sale, delivery or furnishing of electricity, water, steam or
83 gas; and

84 ~~[(17)]~~ (18) "Virtual currency" has the same meaning as provided in
85 section 36a-596.

86 Sec. 2. (NEW) (*Effective July 1, 2025*) (a) Any property held pursuant
87 to a funeral service contract that is in effect on or after July 1, 2025, for
88 the purposes of part III of chapter 32 of the general statutes, shall be
89 considered payable or distributable on the earliest of: (1) When the
90 holder has received notification of the death of the beneficiary and the
91 funeral services contracted for pursuant to such funeral service contract
92 have not been provided; (2) the date the beneficiary would have attained
93 the age of one hundred ten years; or (3) seventy-five years after the
94 funeral service contract was executed.

95 (b) Any property held pursuant to a funeral service contract shall be
96 presumed abandoned unless the beneficiary or purchaser has indicated
97 an interest in such property not later than one year after such property
98 becomes payable or distributable pursuant to subsection (a) of this
99 section. If the annual statements that are required to be sent under
100 section 42-202 of the general statutes were returned as undeliverable
101 during the preceding year, the holder shall, for purposes of providing
102 notice to the owner pursuant to section 3-65a of the general statutes, as
103 amended by this act, make reasonable efforts to determine a current and
104 proper mailing address for the owner.

105 (c) Not later than March first of each year, the holder shall obtain from

106 the funeral service establishment a list of all properties held pursuant to
107 a funeral service contract that became payable or distributable pursuant
108 to subsection (a) of this section during the preceding calendar year.

109 (d) For purposes of part III of chapter 32 of the general statutes, the
110 escrow agent, insurance company or any other person holding or
111 maintaining such property shall be deemed the holder, and the
112 purchaser of such property shall be deemed the owner.

113 Sec. 3. Section 3-65a of the general statutes is repealed and the
114 following is substituted in lieu thereof (*Effective July 1, 2025*):

115 (a) [Not less than one hundred eighty days before] Between July first
116 and September thirtieth, inclusive, of the calendar year in which a
117 presumption of abandonment is to take effect, [in respect to property
118 subject to section 3-60b or 3-60c and within one year before a
119 presumption of abandonment is to take effect in respect to all other
120 property subject to this part, and] if the owner's claim is not barred by
121 law, the holder shall notify the owner thereof and take reasonable steps
122 to prevent abandonment from being presumed. Such notice shall be
123 provided, at a minimum, by [sending such notice by first class] (1) first-
124 class mail directed to the owner's last-known address, [and,] if such
125 address is sufficient for the purpose of the delivery of first-class United
126 States mail and the cumulative value of all property belonging to the
127 owner is fifty dollars or greater, and (2) electronic mail directed to the
128 owner's last-known electronic mail address, regardless of the value of
129 the property, if a holder has received an owner's consent for the
130 electronic delivery of any notices that are required by law. [, by
131 electronic mail directed to the owner's last-known electronic mail
132 address,] Such notice shall inform the owner that evidence of interest
133 must be indicated as required by this part or such property will be
134 transferred to the Treasurer and will be subject to escheat to the state. If
135 the property presumed abandoned is a security, virtual currency or
136 tangible property from a safe deposit box, the holder's notice shall
137 indicate that such property may be liquidated either prior to or
138 following its reporting to the Treasurer and that after such liquidation

139 will be limited to the proceeds of such liquidation. Nothing in this
140 subsection shall be construed to require an owner to consent to the
141 electronic delivery of notices for communications regarding unclaimed
142 property.

143 (b) Not later than [ninety days after] March thirty-first following the
144 close of the calendar year in which property is presumed abandoned,
145 the holder shall pay or deliver such property to the Treasurer and file,
146 on forms that the Treasurer shall provide, a report of unclaimed
147 property. Each report shall be verified and shall include: (1) The name,
148 if known, last-known physical and electronic mail address, if any, and
149 last-known telephone number, if any, of each person appearing to be the
150 owner of such property; (2) in case of unclaimed funds of an insurance
151 company, the full name of the insured or annuitant and beneficiary and
152 his or her last-known address appearing on the insurance company's
153 records; (3) the nature and identifying number, if any, or description of
154 the property and the amount appearing from the records to be due; (4)
155 the date when the property became payable, demandable or returnable
156 and the date of the last transaction with the owner with respect to the
157 property; (5) if the holder is a successor to other holders, or if the holder
158 has changed the holder's name, all prior known names and addresses of
159 each holder of the property; and (6) such other information as the
160 Treasurer may require.

161 (c) Verification, if made by a partnership, shall be executed by a
162 partner; if made by an unincorporated association or private
163 corporation, by an officer; and if made by a public corporation, by its
164 chief fiscal officer.

165 (d) (1) The Treasurer shall keep a permanent record of all reports
166 submitted to the Treasurer pursuant to this section.

167 (2) A holder shall retain the following records for at least ten years
168 after the date any report was filed under this section or the last date a
169 timely report was due to be filed, unless a shorter retention period is
170 provided by the Treasurer: (A) The information required to be included
171 in the report, (B) the date, place and nature of the circumstances that

172 gave rise to the property right, and (C) any documentation concerning
173 items considered for reporting that were not ultimately determined to
174 represent unclaimed property, for verification of whether the holder has
175 complied with its reporting obligation under this section.

176 (e) Except for claims paid under section 3-67a and except as provided
177 in subsection (e) of section 3-70a, no owner shall be entitled to any
178 interest, income or other increment which may accrue to property
179 presumed abandoned from and after the date of payment or delivery to
180 the Treasurer.

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

184 (g) The Treasurer, or any officer or agency designated by the
185 Treasurer, may examine any person on oath or affirmation, or the
186 records of any person or any agent of the person including, but not
187 limited to, a dividend disbursement agent or transfer agent of a business
188 association, banking organization or insurance company that is the
189 holder of property presumed abandoned to determine whether the
190 person or agent has complied with this part. The Treasurer may conduct
191 the examination even if the person or agent believes the person or agent
192 is not in possession of any property that must be paid, delivered or
193 reported under this part. The Treasurer may bring an action in a court
194 of appropriate jurisdiction to enforce the provisions of this part.

195 (h) A record of the issuance of a check, draft or similar instrument is
196 prima facie evidence of the obligation represented by the check, draft or
197 similar instrument. In claiming property from a holder who is also the
198 issuer, the Treasurer's burden of proof as to the existence and amount
199 of the property and its abandonment is satisfied by showing issuance of
200 the instrument and passage of the requisite period of abandonment.
201 Defenses of payment, satisfaction, discharge and want of consideration
202 are affirmative defenses that shall be established by the holder.

203 (i) Notwithstanding the provisions of subsection (b) of this section,

204 the holder of personal property presumed abandoned pursuant to
205 subdivision (5) of subsection (a) of section 3-57a or section 3-57b shall
206 (1) sell such property and pay the proceeds arising from such sale,
207 excluding any charges that may lawfully be withheld, to the Treasurer,
208 unless such property consists of military medals, in which case such
209 property shall not be sold, and (2) provide the Treasurer with records
210 deemed appropriate by the Treasurer of property so presumed
211 abandoned. The holder shall complete the sale of such property and
212 deliver the net proceeds to the Treasurer not later than thirty days after
213 filing the report required under subsection (b) of this section. A holder
214 of tangible, personal property may contract with a third party to store
215 and sell such property and to pay the proceeds arising from such sale,
216 excluding any charges that may be lawfully withheld, to the Treasurer,
217 provided the third party holds a surety bond or other form of insurance
218 coverage with respect to such activities. Any holder who sells property
219 pursuant to subsection (a) of section 3-57a or section 3-57b and remits
220 the excess proceeds to the Treasurer or who transmits tangible, personal
221 property to a bonded or insured third party for such purposes, shall not
222 be responsible for any claims related to the sale or transmission of the
223 property or proceeds to the Treasurer. If the Treasurer exempts any such
224 property from being remitted or sold pursuant to this subsection,
225 whether by regulations or guidelines, the holder of such property may
226 dispose of such property in any manner such holder deems appropriate
227 and such holder shall not be responsible for any claims related to the
228 disposition of such property or any claims to the property itself. For
229 purposes of the sale of personal property presumed abandoned under
230 subdivision (5) of subsection (a) of section 3-57a or section 3-57b, charges
231 that may lawfully be withheld include costs of storage, appraisal,
232 advertising and sales commissions as well as lawful charges owing
233 under the contract governing the safe deposit box rental.

234 (j) In the event military medals are presumed abandoned pursuant to
235 subdivision (5) of subsection (a) of section 3-57a, a banking or financial
236 organization shall transmit such medals to the Department of Veterans
237 Affairs in accordance with procedures established by the Treasurer. The
238 Treasurer and Commissioner of Veterans Affairs shall enter into a

239 memorandum of understanding concerning the handling of such
240 medals and the Department of Veterans Affairs shall hold such medals
241 in custody pursuant to such memorandum. The Treasurer may make
242 any information obtained pursuant to this section, including any
243 photograph or other visual depiction of a military medal but excluding
244 Social Security numbers, available to the public to facilitate the
245 identification of the original owner of such medal or such owner's heirs
246 or beneficiaries.

247 Sec. 4. Section 3-70a of the general statutes is amended by adding
248 subsections (h) and (i) as follows (*Effective July 1, 2025*):

249 (NEW) (h) Notwithstanding the provisions of subsection (a) of this
250 section, where the sole owner of the abandoned property is reported as
251 the office of the Secretary of the State, State Comptroller, Attorney
252 General or State Treasurer or a department within the executive branch,
253 as listed in section 4-38c, the Treasurer may submit a report to the Office
254 of Policy and Management identifying the value of each property
255 escheated and the applicable office or department that is the reported
256 owner. Unless the Office of Policy and Management directs otherwise,
257 the property shall escheat to the state, in accordance with this part, three
258 months following the submission of such report and the Treasurer shall
259 reclassify such property as property of the state instead of unclaimed
260 property.

261 (NEW) (i) The Treasurer may establish a program that permits the
262 owner of a claim allowed under this section for property, funds or
263 money to donate such claim in its entirety to a charitable cause. The
264 Treasurer shall select one or more of the following to be the recipient of
265 donated payments under this subsection: (1) The organ transplant
266 account established in section 17b-288, (2) the AIDS research education
267 account established in section 19a-32a, (3) the endangered species,
268 natural area preserves and watchable wildlife account established in
269 section 22a-27l, (4) the breast cancer research and education account
270 established in section 19a-32b, (5) the safety net services account
271 established in section 17b-112f, (6) the Connecticut Baby Bond Trust

272 established in section 3-36b, (7) the mental health community
 273 investment account established in section 17a-451g, or (8) the Military
 274 Relief Fund established in section 27-100a. An owner's election to donate
 275 an allowed claim payment shall be irrevocable and remittance of the
 276 donation shall be considered full payment of the allowed claim. The
 277 Treasurer shall prescribe the form that such donation election shall take.

278 Sec. 5. Subsection (c) of section 3-66a of the general statutes is
 279 repealed and the following is substituted in lieu thereof (*Effective July 1,*
 280 *2025*):

281 (c) [The] For properties with a reported value of fifty dollars or more,
 282 the Treasurer shall [notify] send a notice, in a manner deemed
 283 appropriate by the Treasurer, to each person, other than an individual
 284 to whom the Treasurer makes or will make a payment pursuant to
 285 subsection (f) of section 3-70a, reported as the apparent owner of
 286 unclaimed property that was reported or transferred to the Treasurer
 287 during the preceding calendar year and for whom the holder of such
 288 property has reported a last-known address [.] in this state sufficient to
 289 direct the delivery of first-class United States mail or valid electronic
 290 mail address [or telephone number] to the Treasurer. Such notice shall
 291 [include information concerning the amount and description of such
 292 property] inform the person that such person may have unclaimed
 293 property available to claim and the process by which such [owner]
 294 person may verify ownership to and claim such property.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2025</i>	3-56a
Sec. 2	<i>July 1, 2025</i>	New section
Sec. 3	<i>July 1, 2025</i>	3-65a
Sec. 4	<i>July 1, 2025</i>	3-70a(h) and (i)
Sec. 5	<i>July 1, 2025</i>	3-66a(c)

GAE Joint Favorable Subst.

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 26 \$	FY 27 \$
Resources of the General Fund	GF - Potential Revenue Gain	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill makes various revisions concerning unclaimed property, which results in the impacts described below.

Section 1 adds and modifies definitions regarding funeral service contracts and last-known addresses. This does not result in a fiscal impact to the state or municipality.

Section 2 establishes the circumstances under which funeral service contracts are deemed abandoned and therefore required to be turned over to the state.¹ This does not result in a fiscal impact to the state or municipalities.

Section 3 changes logistic and timing requirements for holders of abandoned property before they turn it over to the state, including relieving holders of the requirement to send notice by first-class mail if the property is valued at less than \$50. This results in a potential revenue gain to the state to the extent abandoned property that is less than \$50 would have been claimed by the owner had the holder contacted them via first-class mail.

¹ Under current law, funeral service contracts fall under the "property presumed abandoned generally" (CGS § 3-64a).

Section 4 establishes a process by which abandoned property that is owned by a state agency or constitutional office may be reclassified as property of the State after the Treasurer provides notice to the Office of Policy and Management (OPM). This does not result in a fiscal impact to the state or municipalities as the abandoned property would remain property of the state.

This section also establishes a program that permits the owner of a claim to donate such claim to a charitable cause. Eligible causes are to be chosen by the Treasurer from the following: (1) The organ transplant account established, (2) the AIDS research education account, (3) the endangered species natural area preserves and watchable wildlife, (4) the breast cancer research and education account, (5) the safety net services account, (6) the Connecticut Baby Bond Trust, (7) the mental health community investment account, or (8) the Military Relief Fund. Depending on the value of the property and the charitable donation choice, the aforementioned funds or accounts may have a potential revenue gain.

Section 5 changes the requirement that the Treasurer send a notice to unclaimed property owners regardless of the value of such property to a minimum of \$50. This results in a potential revenue gain to the state to the extent abandoned property that is less than \$50 would have been claimed by the owner if notified and to the extent administrative savings occur as a result not sending notices to owners of unclaimed property valued at less than \$50.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the total value of abandoned property under \$50 that would have been claimed by the owner had they been contacted via first-class mail by the holder, charitable donation amounts, total value of abandoned property under \$50 that would have been claimed by the owner if notified by the Treasurer, and the administrative savings related to not sending notices to owners or unclaimed property valued at less than \$50.

OLR Bill Analysis**sSB 1434****AN ACT IMPLEMENTING THE TREASURER'S
RECOMMENDATIONS FOR REVISIONS
UNCLAIMED PROPERTY.****SUMMARY**

By law, most property held or owed in this state that remains unclaimed by the owner is presumed abandoned after a specified amount of time passes and escheats to the state as abandoned (or unclaimed) property. This bill makes various changes to these laws. Principally, the bill:

1. establishes circumstances under which funeral service contracts are presumed abandoned and explicitly subjects them to the state's unclaimed property laws (§§ 1 & 2),
2. broadens the definition of "last-known address" for purposes of the state's unclaimed property laws and makes related changes (§ 1),
3. modifies notice and reporting requirements for unclaimed property holders (§ 3),
4. modifies the treasurer's notice requirements to unclaimed property owners (§ 5),
5. establishes an alternative unclaimed property process for property solely owned by state agencies or certain constitutional offices (§ 4), and
6. authorizes the treasurer to establish a program for property owners to donate their unclaimed property to charity (§ 4).

It also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2025

§§ 1 & 2 — FUNERAL SERVICE CONTRACTS

The bill establishes circumstances under which property held as part of a funeral service contract is presumed abandoned and creates related reporting requirements. Under state law and the bill, a funeral service contract is a contract requiring compensation in exchange for funeral, burial, or related services or items that are not immediately needed. Compensation may be paid as money, securities, or the assignment of a life insurance policy's death benefit. These contracts are sometimes called "prepaid" or "pre-need" funeral service contracts because the individual is paying for services to be provided in the future.

For funeral service contracts in effect on or after July 1, 2025, the bill requires that property held under the contract be deemed payable or distributable for the purposes of the state's unclaimed property law on the earliest of the following:

1. when the property holder receives notification of the beneficiary's death and the contracted services have not been provided,
2. the date of the beneficiary's 110th birthday, or
3. 75 years after the funeral service contract's execution.

The property is considered abandoned unless the beneficiary or purchaser has indicated their interest in it within one year of when it is considered payable or distributable under the bill. By March 1 of each year, the property holder must obtain from the funeral service establishment a list of all property considered payable or distributable under the bill. Under the bill, for the purposes of the state's unclaimed property law, a property holder includes an escrow agent, insurance company, or any other person holding or maintaining contracted property. Further, the contract's purchaser must be considered the owner.

State law requires that funds received as part of a funeral services contract be deposited in an escrow account, and each party to the contract must receive an annual statement of the amount credited to the account. The bill requires that if these statements are returned as undeliverable, the property holder must make reasonable efforts to determine an owner's current and proper mailing address in order to comply with the unclaimed property law's notice requirements.

§§ 1, 3 & 5 — NOTICE OF UNCLAIMED PROPERTY

Last-Known Address (§ 1)

The bill broadens the definition of "last-known address" for the state's unclaimed property law. Under current law, this is a description of an apparent property owner's location sufficient for mail delivery. The bill instead defines it as any description, code, or other indication of an apparent owner's location that identifies the owner's state (even if it is otherwise insufficient for delivering first-class U.S. mail).

In doing so, the bill expands the property that escheats to the state. By law, abandoned intangible property is subject to the state's unclaimed property law if, among other conditions, the holder's records (1) show a last-known address of the apparent owner that is in Connecticut or (2) do not include the name of the person entitled to the property but the person's last-known address is in Connecticut. The law also generally requires that funds and property held by the federal government belonging to anyone whose last-known address was in Connecticut be subject to the state's unclaimed property law (CGS § 3-66b).

Owner Notification (§ 3)

By law, before property is presumed abandoned, the property's holder must, among other things, notify its owner that he or she must indicate interest in the property or it will be transferred to the treasurer and subject to escheat to the state. Under current law, property holders must take reasonable steps to prevent the property from being presumed abandoned by, at least, sending this notice (1) by first-class mail to the owner's last-known address and (2) to the owner's last-

known email if the owner consented to the electronic delivery of required notices.

The bill limits the requirement that property holders send this notice by first-class mail to when the cumulative value of all of the owner's property is \$50 or more and the owner's last-known address is sufficient for first-class mail delivery. Property holders must still provide the email notice, if consented to, regardless of the property's value.

The bill also changes the timeframe for sending these notices by requiring property holders to send them between July 1 and September 30 of the year the property will be presumed abandoned. (Property is presumed abandoned on December 31 of the calendar year in which the presumption is triggered.) Under current law, for wages, salaries, or compensation or utility deposits, refunds, or other sums, holders must send these notices at least 180 days before the property is presumed abandoned. For all other unclaimed property, current law requires holders to send them within a year before the property is presumed abandoned.

Notice by Treasurer (§ 5)

Current law generally requires the treasurer to notify, in a manner he deems appropriate, each person reported as the apparent owner of abandoned property during the preceding calendar year for whom the holder reported a last-known address, valid email address, or telephone number. The bill instead requires the treasurer to send this notice to an owner if the owner's unclaimed property has a reported value of \$50 or more. Additionally, the treasurer is only required to mail this notice by first-class mail if the last-known address is sufficient for first-class mail delivery.

Current law requires the notice to include information concerning the property's amount and description. Instead, the bill requires the notice to inform the person that they may have property to claim. As under existing law, the notice must still describe the process for verifying ownership and claiming the property.

§ 3 — REPORTING OF UNCLAIMED PROPERTY TO THE TREASURER

Current law generally requires abandoned property holders to deliver the property to the treasurer within 90 days after the end of the calendar year in which the property is presumed abandoned and to prepare and submit an unclaimed property report that includes specified information about the property's apparent owner, including their name and address. The bill instead requires property holders to submit these reports by March 31 following the end of the calendar year in which the property is presumed abandoned.

The bill also requires property holders to retain records (1) of information required to be included in these reports and (2) concerning the date, place, and circumstances giving rise to the property right. Property holders must also retain any documentation concerning property the holder considered reporting to the treasurer as unclaimed, but ultimately determined was not required to be reported, in order to verify compliance with the reporting requirements.

Property holders must retain these records for at least 10 years after (1) filing a report with the treasurer or (2) the last date a timely report was due to be filed. The treasurer may allow for a shorter retention period.

§ 4 — UNCLAIMED PROPERTY OF STATE AGENCIES

The bill establishes an alternative process for handling unclaimed property whose sole owner is the secretary of the state, state comptroller, attorney general, state treasurer, or an executive branch department as defined in state law.

For applicable property, the treasurer must submit a report to the Office of Policy and Management (OPM) identifying the property's value and reported owner. Unless OPM directs otherwise, the property must escheat to the state three months after the report's submission. The treasurer must then reclassify the property as state property instead of as unclaimed.

§ 4 — DONATION OF UNCLAIMED PROPERTY

The bill authorizes the treasurer to establish a program permitting a property owner to donate all of his or her unclaimed property to specified charitable causes. If the owner chooses to donate his or her claim, the choice is irrevocable, and the donation is considered full payment of the claim.

The treasurer must (1) prescribe the form of the donation election and (2) select one or more of the following state accounts to receive the donation:

1. organ transplant account (CGS § 17b-288);
2. AIDS research education account (CGS § 19a-32a);
3. endangered species, natural area preserves and watchable wildlife account (CGS § 22a-27l);
4. breast cancer research and education account (CGS § 19a-32b);
5. safety net services account (CGS § 17b-112f);
6. Connecticut Baby Bond Trust (CGS § 3-36b);
7. mental health community investment account (CGS § 17a-451g);
or
8. Military Relief Fund (CGS § 27-100a).

State law authorizes a similar program for tax refunds (CGS §§ 12-743 and 12-743a).

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 19 Nay 0 (03/12/2025)