

OFFICE OF FISCAL ANALYSIS

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sSB-1434

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

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

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

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.

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.