

Government Administration and Elections Committee

JOINT FAVORABLE REPORT

Bill No.: SB-1434

AN ACT IMPLEMENTING THE TREASURER'S RECOMMENDATIONS FOR

Title: REVISIONS CONCERNING UNCLAIMED PROPERTY.

Vote Date: 3/12/2025

Vote Action: Joint Favorable Substitute

PH Date: 3/7/2025

File No.:

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SPONSORS OF BILL:

Government Administration and Elections

REASONS FOR BILL:

There were perceived oversights and deficiencies in the unclaimed property program. Sometimes funeral services are not provided to individuals that preemptively paid them before their passing. The clarity behind when these funds would be considered abandon has been questionable. Due to the nature of the industry, proper notification of biographical information changes for the agent of an estate can be a challenge for funeral homes. The bill would seek to update the unclaimed property program to address these concerns.

SUBSTITUTE LANGUAGE: The substitute language addresses the concerns from the Connecticut Funeral Directors Association. It amends the time for funeral contract abandonment presumption from 50 years to 75 years, as they have found that 50 years can sometimes be too short with individuals still retaining contracts.

RESPONSE FROM ADMINISTRATION/AGENCY:

Erick Russell, Treasurer, State of Connecticut:

The bill modernizes the state's unclaimed property program and continues our success to reunite owners with their property. In Sections 1 and 2 creates the circumstances in which funeral service contracts will be deemed abandoned and updates the definition of "last known address". Section 3 makes changes to the responsibilities of holders before turning over abandoned property and requires reports to be filed and delivered to the Treasurer by March

31st. Section 4 streamlines the process for abandoned property and establishes a program to allow claimants to donate their property to charitable funds. Section 5 amends the requirement that the Treasurer send notice to owners transferred to the Treasurer within the previous year changing the current notice that is sent regardless of property value. Most other states have minimum thresholds for notice. The threshold of \$50 would be consistent with standards.

NATURE AND SOURCES OF SUPPORT:

Jonathan L. Green, Legislative Chair, Connecticut Funeral Directors Association:

This bill will provide a necessary procedure and defined criteria for abandoned funeral service contracts. In Section 2(a) we request an extension from fifth to seventy-five years after a funeral service contract is executed. Reasonable errors may precipitate abandonment such as change of address, incorrect information, and transfers from residence facility to group home sometimes out of state it is possible for funeral service information to get lost in the transfer. If preneed escrow funeral accounts are deemed abandoned, they would be eligible for reimbursement by the Treasurer. Implementing will offer transparency by funeral homes and with whom they have contracts.

NATURE AND SOURCES OF OPPOSITION:

None Expressed

Reported by: Pamela Bianca

Date: March 14, 2025