



General Assembly

Substitute Bill No. 1434

January Session, 2025



***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 Section 3-56a of the general statutes is repealed and the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.