

Government Administration and Elections Committee

JOINT FAVORABLE REPORT

Bill No.: SB-382

AN ACT MODIFYING THE PROCESS FOR CLAIMING AND RETURNING

Title: UNCLAIMED PROPERTY HELD BY THE TREASURER.

Vote Date: 03/27/2023

Vote Action: Joint Favorable Substitute

PH Date: 3/20/2023

File No.:

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

Government Administration and Elections Committee

REASONS FOR BILL:

This bill makes an amendment/addition to the current statutes which includes the requirement that the State Treasurer automatically transfer unclaimed municipal property received of \$100.00 in value or more to the municipality along with a notice of such transfer. Also, with regards to individual property claims, the State Treasurer is required to review all claims within 90 days of submittal and pay such claims under \$5000 after having been reviewed per the statute's requirements. Claims above \$5000 will require more extensive review per the statute's requirements.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Erick Russel, Connecticut State Treasurer:](#) Opposes this bill

I appreciate the committee's focus on this critical program and share its goal of reuniting rightful owners with their escheated property. Within the first four weeks of taking office, I announced my plans to improve the state's unclaimed property program. In addition to implementing the changes enacted by the General Assembly last session, my team is working on leveraging new technology to reduce the need for manual review and intervention, which can cause a delay in paying claims. Automating systems will have a substantial impact on the claims process, as will hiring additional staff to review and process claims faster and communicate directly with constituents. This bill would pose a challenge to these efforts, creating requirements that are difficult to implement and may divert resources from the progress currently underway. Additional points regarding potential challenges this bill creates are detailed in written testimony.

NATURE AND SOURCES OF SUPPORT:

[Betsy Gara Executive Director Connecticut Council of Small Towns:](#)

Small towns don't have the staff to regularly search all the departments on Connecticut's Big List that may have unclaimed property and submit documentation, which may require the retrieval and submittal of records that date back several years.

COST supports Section 8 of the bill which requires the State Treasurer to automatically transfer unclaimed municipal property of \$100.00 or more to the municipality along with a notice of such transfer. While in support of this bill, COST also suggests that Section 8 should be revised to provide for the automatic return of all municipal unclaimed property on an annual basis, not just newly received properties.

[Ron Lizzi, Author & Engineer, Resident of Bethany, CT:](#)

This bill is based on my proposals, and it incorporates the best practices of other states, including automatic return of unclaimed money, without requiring claims, and payment of past-due child support by matching cases with unclaimed money owners. There are a several problems with the bill's text, however. Details regarding the "problems" mentioned in Mr. Lizzi's comments above are noted in written testimony.

NATURE AND SOURCES OF OPPOSITION:

[Tanya Whitlow, Managing Director, Kelmar Associates, LLC:](#)

Our most significant concern with the Senate Bill 382 is that in ostensibly increasing the return of property by the Treasurer, payments would be made to individuals who are not the rightful owner of funds, including those who would seek to defraud the unclaimed property program. Concerns are detailed in written testimony.

General opposition comments were submitted anonymously by two people. Links to each of their written testimonies are below:

[Anonymous #1](#)

[Anonymous #2](#)

Reported by: Robert Mayne

Date: 03-27-2023