

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: SB583

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Colgan

3. Committee: Commerce and Labor

4. Title: **Uniform Disposition of Unclaimed Property Act; banks and financial organizations.**

5. Summary: Reduces the holding period for abandonment for unclaimed property for banks and financial organizations from five years to two years for banks or organizations that deduct a charge or cease to accrue interest because of dormancy or inactivity. The measure also provides that if a holder of the property ceases imposing additional charges or retroactively credits interest on dormant or inactive property for a reason other than to correct a documented internal error, the holder is deemed to have waived its right to impose the charges or cease accruing interest and shall reverse or cancel the charges or retroactively credit interest on accounts reported to the Treasurer. The second provision is stated to be declaratory of existing law.

6. Fiscal Impact Estimates: indeterminate. See item 8, below.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: Any fiscal impact the proposed legislation may have is indeterminate and will depend on the number of additional accounts over which the Division of Unclaimed Property assumes custody from a financial institution after two years of dormancy or inactivity. It is anticipated that any impact will be minimal and can be absorbed within existing resources.

9. Specific Agency or Political Subdivisions Affected: Department of the Treasury Division of Unclaimed Property.

10. Technical Amendment Necessary: None.

11. Other Comments: None.

Date: 1/18/2008 dpbtmw

Document: G:\2008 Session\Fiscal Impact Statements\SB583.Doc

cc: Secretary of Finance