

## Department of Planning and Budget 2016 Fiscal Impact Statement

**1. Bill Number:** HB 366

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:** Davis

**3. Committee:** Committee on General Laws

**4. Title:** Disposition of unclaimed property; intangible property held by locality held by locality.

**5. Summary:** Limits the duty of a county, city, or town to report and remit abandoned intangible property by providing that intangible property that is held by a locality for the owner and that has remained unclaimed by the owner for more than one year after it became payable is presumed abandoned only if its value exceeds \$25.

**6. Budget Amendment Necessary:** No. Impacts Literary Fund revenue.

**7. Fiscal Impact Estimates:** Preliminary. See Item 8 below.

**8. Fiscal Implications:** The State Treasurer administers the Uniform Disposition of Unclaimed Property Act (the Act), which is a consumer protection law written to protect the property rights of the owner. The State Treasurer is the custodian of the property until the property can be returned to the rightful owner. Although the property is held in perpetuity for the owner or heirs to claim, excess unclaimed property cash is transferred to the Literary Fund after paying program expenses and maintaining a reserve for payment of claims.

This bill creates an exemption to the Uniform Disposition of Unclaimed Property Act for localities by allowing them to retain unclaimed property accounts that are valued at \$25 or less. Any reduction in transfers to the Literary Fund may have a negative impact on the general fund. The Department of the Treasury estimates the fiscal impact on the Literary Fund transfers due to this bill is a reduction of between \$94,313 and \$219,317 per year.

**9. Specific Agency or Political Subdivisions Affected:** Localities statewide, Board of Education, Department of the Treasury.

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None.

January 20, 2016  
DPB Analyst: jgc