
Finance Committee

HB 2792

Brief Description: Shortening the period of time in which the department of revenue must process unclaimed property applications.

Sponsors: Representatives Magendanz, Stokesbary and Wilson.

Brief Summary of Bill

- Reduces the amount of time the department of revenue has to process an unclaimed property application from 90 days to 30 days.

Hearing Date: 1/26/16

Staff: Dominique Meyers (786-7150).

Background:

The Uniform Unclaimed Property Act (Act) governs the disposition of property that is unclaimed by its owner. A business that holds unclaimed property (holder) must report and transfer the property to the Department of Revenue (DOR) after a holding period set by statute. The holding period varies by the type of property, but for most unclaimed property, such as abandoned bank accounts, stocks, and bonds, the holding period is three years.

The DOR's duty is to find the rightful owner of the property, if possible. Most property reported is intangible property and holders remit the cash value to the DOR. With some exceptions, the DOR will sell tangible property that is still unclaimed within five years after it is received. State law requires the DOR to hold stocks, bonds, and other securities for a period of time, usually three years, before being sold. When the unclaimed property is sold, the sale proceeds are deposited in the State General Fund.

The owner of unclaimed property may come forward at any time to claim the property. The DOR must consider a claim within 90 days after it is filed and give written notice to the claimant if the claim is denied. If the claim has not been acted on within 90 days, or if the claimant is

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aggrieved by the decision provided by DOR, the claimant may file suit against the DOR in Thurston County Court.

Summary of Bill:

The bill shortens the amount of time the DOR has to respond to a person making a claim for unclaimed property from 90 days to 30 days.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.