
SUBSTITUTE HOUSE BILL 1127

State of Washington

69th Legislature

2025 Regular Session

By House Finance (originally sponsored by Representatives Walen, Reeves, Simmons, and Hill; by request of Department of Revenue)

READ FIRST TIME 02/20/25.

1 AN ACT Relating to modifying provisions of the revised uniform
2 unclaimed property act by clarifying the abandonment period and
3 reporting procedures for prearrangement funeral service contracts
4 trusts, modifying holder reporting requirements, modifying owner
5 notification requirements, and making other changes not estimated to
6 impact revenue; amending RCW 18.39.370, 63.30.010, 63.30.040,
7 63.30.050, 63.30.090, 63.30.120, 63.30.230, 63.30.240, 63.30.280,
8 63.30.300, 63.30.330, 63.30.340, 63.30.360, 63.30.410, 63.30.420,
9 63.30.460, 63.30.550, 63.30.650, 63.30.680, 63.30.690, 63.30.730,
10 63.30.740, 63.30.790, and 63.30.820; adding a new section to chapter
11 63.30 RCW; creating new sections; repealing RCW 63.30.670; and
12 providing an effective date.

13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

14 **Sec. 1.** RCW 18.39.370 and 1989 c 390 s 13 are each amended to
15 read as follows:

16 Any trust (~~which~~) created under this chapter that has not
17 matured or has not been refunded as provided in RCW 18.39.250 and for
18 which no beneficiary of the prearrangement funeral service contract
19 can be located ((fifty years after its creation shall)) within the
20 time specified by section 2 of this act must be ((considered
21 abandoned and will be handled in accordance with the escheat laws

1 ~~of~~) transferred to the state ((of Washington)) as unclaimed property
2 under chapter 63.30 RCW.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 63.30
4 RCW to read as follows:

5 (1) The proceeds of any prearrangement funeral service contract
6 for which money paid is required to be deposited in a trust,
7 including money required to be deposited in a trust under RCW
8 18.39.250, is presumed abandoned three years after the earlier of the
9 following:

10 (a) The date of death of the contract beneficiary.

11 (i) The date of death of a contract beneficiary may be documented
12 through any source, including a declaration of death, a death
13 certificate, a comparison of the contract seller's records against
14 the United States social security administration death master file,
15 or other equivalent resource.

16 (ii) A funeral establishment may but is under no duty to compare
17 its records to the United States social security administration death
18 master file, or other equivalent resource;

19 (b) The date the contract beneficiary, if living, would have
20 attained the age of 107 years;

21 (c) 50 years from the date that the contract was executed.

22 (2) For purposes of this section:

23 (a) The amount reportable for an abandoned prearrangement funeral
24 service contract is determined under the laws of the state where the
25 contract was executed. For contracts entered under the laws of this
26 state, the amount reportable for an abandoned prearrangement funeral
27 service contract is the trust balance, inclusive of accrued interest
28 or income, less any amounts authorized by law under RCW 18.39.250.

29 (b) The apparent owner of an unclaimed prearrangement funeral
30 service contract is determined under the laws of the state where the
31 contract was executed.

32 (c) (i) "Contract beneficiary" means the person for whom the
33 prearrangement funeral service contract is purchased and will be the
34 recipient of the funeral merchandise or services at the time of the
35 person's death.

36 (ii) "Contract purchaser" means the person who purchases the
37 prearrangement funeral service contract either on the person's behalf
38 or on behalf of the contract beneficiary.

1 (iii) "Funeral establishment" means a place of business licensed
2 in accordance with RCW 18.39.145 that provides for any aspect of the
3 care, shelter, transportation, embalming, preparation, and
4 arrangements for the disposition of human remains and includes all
5 areas of such entity and all equipment, instruments, and supplies
6 used in the care, shelter, transportation, preparation, and embalming
7 of human remains.

8 (iv) "Prearrangement funeral service contract" means any contract
9 under which, for a specified consideration, a funeral establishment
10 promises, upon the death of the person that is named or implied in
11 the contract, to furnish funeral merchandise or services.

12 **Sec. 3.** RCW 63.30.010 and 2022 c 225 s 102 are each amended to
13 read as follows:

14 The definitions in this section apply throughout this chapter
15 unless the context clearly requires otherwise.

16 (1) "Administrator" means the department of revenue established
17 under RCW 82.01.050.

18 (2) "Administrator's agent" means a person with which the
19 administrator contracts to conduct an examination under RCW 63.30.570
20 through 63.30.690 on behalf of the administrator. The term includes
21 an independent contractor of the person and each individual
22 participating in the examination on behalf of the person or
23 contractor.

24 (3) "Apparent owner" means a person whose name appears on the
25 records of a holder as the owner of property held, issued, or owing
26 by the holder.

27 (4) "Business association" means a corporation, joint stock
28 company, investment company other than an investment company
29 registered under the investment company act of 1940, as amended, 15
30 U.S.C. Secs. 80a-1 through 80a-64, partnership, unincorporated
31 association, joint venture, limited liability company, business
32 trust, trust company, land bank, safe deposit company, safekeeping
33 depository, financial organization, insurance company, federally
34 chartered entity, utility, sole proprietorship, or other business
35 entity, whether or not for profit.

36 (5) "Confidential information" means records, reports, and
37 information that are confidential under RCW 63.30.820.

38 (6) "Domicile" means:

39 (a) For a corporation, the state of its incorporation;

1 (b) For a business association whose formation requires a filing
2 with a state, other than a corporation, the state of the principal
3 place of business of such a business association, if formed under the
4 laws of a state other than the state in which its principal place of
5 business is located, unless determined to be otherwise by a court of
6 competent jurisdiction;

7 (c) For a federally chartered entity or an investment company
8 registered under the investment company act of 1940, as amended, 15
9 U.S.C. Secs. 80a-1 through 80a-64, the state of its home office; and

10 (d) For any other holder, the state of its principal place of
11 business.

12 (7) "Electronic" means relating to technology having electrical,
13 digital, magnetic, wireless, optical, electromagnetic, or similar
14 capabilities.

15 (8) "Email" means a communication by electronic means which is
16 automatically retained and stored and may be readily accessed or
17 retrieved.

18 (9) "Financial organization" means a savings and loan
19 association, building and loan association, savings bank, industrial
20 bank, bank, banking organization, or credit union.

21 (10) "Game-related digital content" means digital content that
22 exists only in an electronic game or electronic game platform. The
23 term:

24 (a) Includes:

25 (i) Game-play currency such as a virtual wallet, even if
26 denominated in United States currency; and

27 (ii) The following if for use or redemption only within the game
28 or platform or another electronic game or electronic game platform:

29 (A) Points sometimes referred to as gems, tokens, gold, and
30 similar names; and

31 (B) Digital codes; and

32 (b) Does not include an item that the issuer:

33 (i) Permits to be redeemed for use outside a game or platform
34 for:

35 (A) Money; or

36 (B) Goods or services that have more than minimal value; or

37 (ii) Otherwise monetizes for use outside a game or platform.

38 (11) "Gift certificate" means a record described in RCW
39 19.240.010, and includes both gift cards and gift certificates,
40 including both tangible instruments and electronic records.

1 (12) "Holder" means a person obligated to hold for the account
2 of, or to deliver or pay to, the owner, property subject to this
3 chapter.

4 (13) "Insurance company" means an association, corporation, or
5 fraternal or mutual benefit organization, whether or not for profit,
6 engaged in the business of providing life endowments, annuities, or
7 insurance, including accident, burial, casualty, credit life,
8 contract performance, dental, disability, fidelity, fire, health,
9 hospitalization, illness, life, malpractice, marine, mortgage,
10 surety, wage protection, and (~~worker compensation~~) industrial
11 insurance. The term does not include governmental agencies that
12 provide industrial insurance.

13 (14) "Internal revenue code" means the United States internal
14 revenue code of 1986, as amended, as of January 1, 2023, or such
15 subsequent date as the department of revenue may provide by rule
16 consistent with the purpose of this chapter unless the context
17 clearly indicates otherwise.

18 (15) "Loyalty card" means a record given without direct monetary
19 consideration under an award, reward, benefit, loyalty, incentive,
20 rebate, or promotional program, which may be used or redeemed only to
21 obtain goods or services or a discount on goods or services. The term
22 does not include a record that may be redeemed for money or otherwise
23 monetized by the issuer.

24 (~~(15)~~) (16) "Mineral" means gas, oil, coal, oil shale, other
25 gaseous liquid or solid hydrocarbon, cement material, sand and
26 gravel, road material, building stone, chemical raw material,
27 gemstone, fissionable and nonfissionable ores, colloidal and other
28 clay, steam and other geothermal resources, and any other substance
29 defined as a mineral by law of this state other than this chapter.

30 (~~(16)~~) (17) "Mineral proceeds" means an amount payable for
31 extraction, production, or sale of minerals, or, on the abandonment
32 of the amount, an amount that becomes payable after abandonment. The
33 term includes an amount payable:

34 (a) For the acquisition and retention of a mineral lease,
35 including a bonus, royalty, compensatory royalty, shut-in royalty,
36 minimum royalty, and delay rental;

37 (b) For the extraction, production, or sale of minerals,
38 including a net revenue interest, royalty, overriding royalty,
39 extraction payment, and production payment; and

1 (c) Under an agreement or option, including a joint operating
2 agreement, unit agreement, pooling agreement, and farm-out agreement.

3 ~~((17))~~ (18) "Money order" means a payment order for a specified
4 amount of money. The term includes an express money order and a
5 personal money order on which the remitter is the purchaser.

6 ~~((18))~~ (19) "Municipal bond" means a bond or evidence of
7 indebtedness issued by a municipality or other political subdivision
8 of a state.

9 ~~((19))~~ (20) "Net card value" means the original purchase price
10 or original issued value of a stored value card, plus amounts added
11 to the original price or value, minus amounts used and any service
12 charge, fee, or dormancy charge permitted by law.

13 ~~((20))~~ (21) "Nonfreely transferable security" means a security
14 that cannot be delivered to the administrator by the depository trust
15 clearing corporation or similar custodian of securities providing
16 posttrade clearing and settlement services to financial markets or
17 cannot be delivered because there is no agent to effect transfer. The
18 term includes a worthless security.

19 ~~((21))~~ (22) "Owner" means a person that has a legal,
20 beneficial, or equitable interest in property subject to this chapter
21 or the person's legal representative when acting on behalf of the
22 owner. The term includes:

- 23 (a) A depositor, for a deposit;
24 (b) A beneficiary, for a trust other than a deposit in trust;
25 (c) A creditor, claimant, or payee, for other property; and
26 (d) The lawful bearer of a record that may be used to obtain
27 money, a reward, or a thing of value.

28 ~~((22))~~ (23) "Payroll card" means a record that evidences a
29 payroll card account as defined in Regulation E, 12 C.F.R. Part 1005,
30 as it existed on January 1, 2023.

31 ~~((23))~~ (24) "Person" means an individual, estate, business
32 association, public corporation, government or governmental
33 subdivision, agency, or instrumentality, or other legal entity.

34 ~~((24))~~ (25) "Property" means tangible property described in RCW
35 63.30.080 or a fixed and certain interest in intangible property
36 held, issued, or owed in the course of a holder's business or by a
37 government, governmental subdivision, agency, or instrumentality. The
38 term:

- 39 (a) Includes all income from or increments to the property;
40 (b) Includes property referred to as or evidenced by:

1 (i) Money, virtual currency, interest, or a dividend, check,
2 draft, deposit, or payroll card;

3 (ii) A credit balance, customer's overpayment, stored value card,
4 security deposit, refund, credit memorandum, unpaid wage, unused
5 ticket for which the issuer has an obligation to provide a refund,
6 mineral proceeds, or unidentified remittance;

7 (iii) A security except for:

8 (A) A worthless security; or

9 (B) A security that is subject to a lien, legal hold, or
10 restriction evidenced on the records of the holder or imposed by
11 operation of law, if the lien, legal hold, or restriction restricts
12 the holder's or owner's ability to receive, transfer, sell, or
13 otherwise negotiate the security;

14 (iv) A bond, debenture, note, or other evidence of indebtedness;

15 (v) Money deposited to redeem a security, make a distribution, or
16 pay a dividend;

17 (vi) An amount due and payable under an annuity contract or
18 insurance policy; and

19 (vii) An amount distributable from a trust or custodial fund
20 established under a plan to provide health, welfare, pension,
21 vacation, severance, retirement, death, stock purchase, profit-
22 sharing, employee savings, supplemental unemployment insurance, or a
23 similar benefit; and

24 (c) Does not include:

25 (i) Property held in a plan described in ~~((section))~~ Title 26
26 U.S.C. Sec. 529A of the internal revenue code ~~((, as it existed on~~
27 ~~January 1, 2023, 26 U.S.C. Sec. 529A))~~);

28 (ii) Game-related digital content;

29 (iii) A loyalty card;

30 (iv) A gift certificate complying with chapter 19.240 RCW;

31 (v) Store credit for returned merchandise; and

32 (vi) A premium paid by an agricultural fair by check. For the
33 purposes of this subsection, the following definitions apply:

34 (A) "Agricultural fair" means a fair or exhibition that is
35 intended to promote agriculture by including a balanced variety of
36 exhibits of livestock and agricultural products, as well as related
37 manufactured products and arts, including products of the farm home
38 and educational contests, displays, and demonstrations designed to
39 train youth and to promote the welfare of farmers and rural living;
40 and

1 (B) "Premium" means an amount paid for exhibits and educational
2 contests, displays, and demonstrations of an educational nature. A
3 "premium" does not include judges' fees and expenses; livestock sale
4 revenues; or prizes or amounts paid for promotion or entertainment
5 activities such as queen contests, parades, dances, rodeos, and
6 races.

7 ~~((25))~~ (26) "Putative holder" means a person believed by the
8 administrator to be a holder, until the person pays or delivers to
9 the administrator property subject to this chapter or the
10 administrator or a court makes a final determination that the person
11 is or is not a holder.

12 ~~((26))~~ (27) "Record" means information that is inscribed on a
13 tangible medium or that is stored in an electronic or other medium
14 and is retrievable in perceivable form.

15 ~~((27))~~ (28) "Security" means:

16 (a) A security as defined in RCW 62A.8-102;

17 (b) A security entitlement as defined in RCW 62A.8-102, including
18 a customer security account held by a registered broker-dealer, to
19 the extent the financial assets held in the security account are not:

20 (i) Registered on the books of the issuer in the name of the
21 person for which the broker-dealer holds the assets;

22 (ii) Payable to the order of the person; or

23 (iii) Specifically indorsed to the person; or

24 (c) An equity interest in a business association not included in
25 (a) or (b) of this subsection.

26 ~~((28))~~ (29) "Sign" means, with present intent to authenticate
27 or adopt a record:

28 (a) To execute or adopt a tangible symbol; or

29 (b) To attach to or logically associate with the record an
30 electronic symbol, sound, or process.

31 ~~((29))~~ (30) "State" means a state of the United States, the
32 District of Columbia, the Commonwealth of Puerto Rico, the United
33 States Virgin Islands, or any territory or insular possession subject
34 to the jurisdiction of the United States.

35 ~~((30))~~ (31) "Stored value card" means a record evidencing a
36 promise made for consideration by the seller or issuer of the record
37 that goods, services, or money will be provided to the owner of the
38 record to the value or amount shown in the record. The term:

39 (a) Includes:

1 (i) A record that contains or consists of a microprocessor chip,
2 magnetic strip, or other means for the storage of information, which
3 is prefunded and whose value or amount is decreased on each use and
4 increased by payment of additional consideration; and

5 (ii) A payroll card; and

6 (b) Does not include a loyalty card, gift certificate, or game-
7 related digital content.

8 ~~((31))~~ (32) "Utility" means a person that owns or operates for
9 public use a plant, equipment, real property, franchise, or license
10 for the following public services:

11 (a) Transmission of communications or information;

12 (b) Production, storage, transmission, sale, delivery, or
13 furnishing of electricity, water, steam, or gas; or

14 (c) Provision of sewage or septic services, or trash, garbage, or
15 recycling disposal.

16 ~~((32))~~ (33) "Virtual currency" means ~~((a))~~ any type of digital
17 ~~((representation of value))~~ unit, including cryptocurrency, used as a
18 medium of exchange, unit of account, or store of value, which does
19 not have legal tender status recognized by the United States. The
20 term does not include:

21 (a) The software or protocols governing the transfer of the
22 digital representation of value;

23 (b) Game-related digital content; or

24 (c) A loyalty card or gift certificate.

25 ~~((33))~~ (34) "Worthless security" means a security whose cost of
26 liquidation and delivery to the administrator would exceed the value
27 of the security on the date a report is due under this chapter.

28 **Sec. 4.** RCW 63.30.040 and 2023 c 258 s 8 are each amended to
29 read as follows:

30 Subject to RCW 63.30.120, the following property is presumed
31 abandoned if it is unclaimed by the apparent owner during the period
32 specified below:

33 (1) A traveler's check, 15 years after issuance;

34 (2) A money order, five years after issuance;

35 (3) A state or municipal bond, bearer bond, or original issue
36 discount bond, not held by a government entity or governmental
37 subdivision, agency, or instrumentality, three years after the
38 earliest of the date the bond matures or is called or the obligation
39 to pay the principal of the bond arises;

1 (4) A debt of a business association, three years after the
2 obligation to pay arises;

3 (5) A demand, savings, or time deposit, including a deposit that
4 is automatically renewable, three years after the later of maturity,
5 if applicable, of the deposit or the owner's last indication of
6 interest in the deposit, except a deposit that is automatically
7 renewable is deemed matured on its initial date of maturity unless
8 the apparent owner consented in a record on file with the holder to
9 renewal at or about the time of the renewal;

10 (6) Money or a credit owed to a customer as a result of a retail
11 business transaction, three years after the obligation arose;

12 (7) An amount owed by an insurance company on a life or endowment
13 insurance policy or an annuity contract that has matured or
14 terminated, three years after the obligation to pay arose under the
15 terms of the policy or contract or, if a policy or contract for which
16 an amount is owed on proof of death has not matured by proof of the
17 death of the insured or annuitant, as follows:

18 (a) With respect to an amount owed on a life or endowment
19 insurance policy, three years after the earlier of the date:

20 (i) The insurance company has knowledge of the death of the
21 insured; or

22 (ii) The insured has attained, or would have attained if living,
23 the limiting age under the mortality table on which the reserve for
24 the policy is based; and

25 (b) With respect to an amount owed on an annuity contract, three
26 years after the date the insurance company has knowledge of the death
27 of the annuitant;

28 (8) Property distributable by a business association in the
29 course of dissolution, one year after the property becomes
30 distributable;

31 (9) Property held by a court, including property received as
32 proceeds of a class action, one year after the property becomes
33 distributable;

34 (10) Property held by a government or governmental subdivision,
35 agency, or instrumentality, including municipal bond interest and
36 unredeemed principal under the administration of a paying agent or
37 indenture trustee, one year after the property becomes distributable;

38 (11) Wages, commissions, or bonuses(~~(, or reimbursements)~~) to
39 which an employee is entitled, or other compensation for personal
40 services, one year after the amount becomes payable;

1 (12) A deposit or refund owed to a subscriber by a utility, one
2 year after the deposit or refund becomes payable;

3 (13) Payroll card, one year after the amount becomes payable;

4 (14) Excess proceeds from the sale of property by an owner of a
5 self-service storage facility conducted pursuant to RCW 19.150.080,
6 (~~six months~~) one year from the date of sale;

7 (15) Excess income from the sale of tenant property by a landlord
8 conducted pursuant to RCW 59.18.312 and 59.18.595, one year from the
9 date of the sale;

10 (16) Excess funds from the sale of an abandoned vessel by an
11 operator of a private moorage facility conducted pursuant to RCW
12 88.26.020, one year from the date of the sale; and

13 (17) Property not specified in this section or RCW 63.30.050
14 through 63.30.100, the earlier of three years after the owner first
15 has a right to demand the property or the obligation to pay or
16 distribute the property arises.

17 **Sec. 5.** RCW 63.30.050 and 2022 c 225 s 202 are each amended to
18 read as follows:

19 (1) Subject to RCW 63.30.120, property held in a pension account
20 or retirement account that qualifies for tax deferral under the
21 income tax laws of the United States is presumed abandoned if it is
22 unclaimed by the apparent owner three years after the later of:

23 (a) The following dates:

24 (i) Except as in (a)(ii) of this subsection, the date a second
25 consecutive communication sent by the holder by first-class United
26 States mail to the apparent owner is returned to the holder
27 undelivered by the United States postal service; or

28 (ii) If the second communication is sent later than 30 days after
29 the date the first communication is returned undelivered, the date
30 the first communication was returned undelivered by the United States
31 postal service; or

32 (b) The earlier of the following dates if the apparent owner is
33 required to take a distribution to avoid a tax penalty:

34 (i) The date the apparent owner (~~becomes 72 years of age~~)
35 reaches the required minimum distribution age to avoid a tax penalty
36 under Title 26 U.S.C. Sec. 4974 of the internal revenue code, if
37 determinable by the holder; or

1 (ii) (~~If the internal revenue code, as it existed on January 1,~~
2 ~~2023, 26 U.S.C. Sec. 1 et seq., requires distribution to avoid a tax~~
3 ~~penalty, two~~) Two years after the date the holder:

4 (A) Receives confirmation of the death of the apparent owner in
5 the ordinary course of its business; or

6 (B) Confirms the death of the apparent owner under subsection (2)
7 of this section.

8 (2) If a holder in the ordinary course of its business receives
9 notice or an indication of the death of an apparent owner and
10 subsection (1)(b) of this section applies, the holder (~~shall~~) must
11 attempt not later than 90 days after receipt of the notice or
12 indication to confirm whether the apparent owner is deceased.

13 (3) If the holder does not send communications to the apparent
14 owner of an account described in subsection (1) of this section by
15 first-class United States mail, the holder (~~shall~~) must attempt to
16 confirm the apparent owner's interest in the property by sending the
17 apparent owner an email communication not later than two years after
18 the apparent owner's last indication of interest in the property.
19 However, the holder promptly (~~shall~~) must attempt to contact the
20 apparent owner by first-class United States mail if:

21 (a) The holder does not have information needed to send the
22 apparent owner an email communication or the holder believes that the
23 apparent owner's email address in the holder's records is not valid;

24 (b) The holder receives notification that the email communication
25 was not received; or

26 (c) The apparent owner does not respond to the email
27 communication not later than 30 days after the communication was
28 sent.

29 (4) If first-class United States mail sent under subsection (3)
30 of this section is returned to the holder undelivered by the United
31 States postal service, the property is presumed abandoned three years
32 after the later of:

33 (a) Except as in (b) of this subsection, the date a second
34 consecutive communication to contact the apparent owner sent by
35 first-class United States mail is returned to the holder undelivered;

36 (b) If the second communication is sent later than 30 days after
37 the date the first communication is returned undelivered, the date
38 the first communication was returned undelivered; or

39 (c) The date established by subsection (1)(b) of this section.

1 (5) This section does not apply to property held in a pension
2 account or retirement account established by the state of Washington
3 or any local governmental entity under chapter 41.28 RCW.

4 **Sec. 6.** RCW 63.30.090 and 2022 c 225 s 206 are each amended to
5 read as follows:

6 (1) Subject to RCW 63.30.120, the net card value of a stored
7 value card, other than a payroll card, is presumed abandoned on the
8 latest of three years after:

9 (a) (~~December 31st of the year in which the~~) The card is issued
10 or additional funds are deposited into it;

11 (b) The most recent indication of interest in the card by the
12 apparent owner; or

13 (c) A verification or review of the balance by or on behalf of
14 the apparent owner.

15 (2) The amount presumed abandoned in a stored value card is the
16 net card value at the time it is presumed abandoned.

17 **Sec. 7.** RCW 63.30.120 and 2022 c 225 s 209 are each amended to
18 read as follows:

19 (1) The period after which property is presumed abandoned is
20 measured from the later of:

21 (a) The date the property is presumed abandoned under this
22 section and RCW 63.30.040 through 63.30.110, 63.30.130, and
23 63.30.140; or

24 (b) The latest indication of interest by the apparent owner in
25 the property.

26 (2) Under this chapter, an indication of an apparent owner's
27 interest in property includes:

28 (a) A record communicated by the apparent owner to the holder or
29 agent of the holder concerning the property or the account in which
30 the property is held;

31 (b) An oral communication by the apparent owner to the holder or
32 agent of the holder concerning the property or the account in which
33 the property is held, if the holder or its agent contemporaneously
34 makes and preserves a record of the fact of the apparent owner's
35 communication;

36 (c) Presentment of a check or other instrument of payment of a
37 dividend, interest payment, or other distribution, or evidence of
38 receipt of a distribution made by electronic or similar means, with

1 respect to an account, underlying security, or interest in a business
2 association;

3 (d) ((Activity)) Either activity directed by an apparent owner in
4 the account in which the property is held, or in another account of
5 the apparent owner held by the same business association or financial
6 organization, or both, including accessing the account or information
7 concerning the account, or a direction by the apparent owner to
8 increase, decrease, or otherwise change the amount or type of
9 property held in the account;

10 (e) A deposit into or withdrawal from an account at a financial
11 organization, including an automatic deposit or withdrawal previously
12 authorized by the apparent owner other than an automatic reinvestment
13 of dividends or interest;

14 (f) Subject to subsection (5) of this section, payment of a
15 premium on an insurance policy; and

16 (g) Any other action by the apparent owner which reasonably
17 demonstrates to the holder that the apparent owner knows that the
18 property exists.

19 (3) An action by an agent or other representative of an apparent
20 owner, other than the holder acting as the apparent owner's agent, is
21 presumed to be an action on behalf of the apparent owner.

22 (4) A communication with an apparent owner by a person other than
23 the holder or the holder's representative is not an indication of
24 interest in the property by the apparent owner unless a record of the
25 communication evidences the apparent owner's knowledge of a right to
26 the property.

27 (5) If the insured dies or the insured or beneficiary of an
28 insurance policy otherwise becomes entitled to the proceeds before
29 depletion of the cash surrender value of the policy by operation of
30 an automatic premium loan provision or other nonforfeiture provision
31 contained in the policy, the operation does not prevent the policy
32 from maturing or terminating.

33 **Sec. 8.** RCW 63.30.230 and 2022 c 225 s 402 are each amended to
34 read as follows:

35 (1) The report required under RCW 63.30.220 must:

36 (a) Be signed by or on behalf of the holder and verified as to
37 its completeness and accuracy;

38 (b) If filed electronically, be in a secure format approved by
39 the administrator which protects confidential information of the

1 apparent owner in the same manner as required of the administrator
2 and the administrator's agent under RCW 63.30.810 through 63.30.880;

3 (c) Describe the property;

4 (d) Except for a traveler's check, money order, or similar
5 instrument, contain the name, if known, last known address, if known,
6 and social security number or taxpayer identification number, if
7 known or readily ascertainable, of the apparent owner of property
8 with a value of (~~(\$50)~~) \$5 or more;

9 (e) For an amount held or owing under a life or endowment
10 insurance policy or annuity contract, contain the name and last known
11 address of the insured, annuitant, or other apparent owner of the
12 policy or contract and of the beneficiary;

13 (f) For property held in or removed from a safe deposit box,
14 indicate the location of the property, where it may be inspected by
15 the administrator, and any amounts owed to the holder under RCW
16 63.30.370;

17 (g) Contain the commencement date for determining abandonment
18 under RCW 63.30.040 through 63.30.140;

19 (h) State that the holder has complied with the notice
20 requirements of RCW 63.30.280; and

21 (~~Identify property that is a nonfreely transferable security
22 and explain why it is a nonfreely transferable security; and~~

23 ~~(j))~~) Contain other information the administrator prescribes by
24 rules.

25 (2) A report under RCW 63.30.220 may include in the aggregate
26 items valued under (~~(\$50)~~) \$5 each. If the report includes items in
27 the aggregate valued under (~~(\$50)~~) \$5 each, the administrator may not
28 require the holder to provide the name and address of an apparent
29 owner of an item unless the information is necessary to verify or
30 process a claim in progress by the apparent owner.

31 (3) A report under RCW 63.30.220 may include personal information
32 as defined in RCW 63.30.810(1) about the apparent owner or the
33 apparent owner's property to the extent not otherwise prohibited by
34 federal law.

35 (4) If a holder has changed its name while holding property
36 presumed abandoned or is a successor to another person that
37 previously held the property for the apparent owner, the holder must
38 include in the report under RCW 63.30.220 its former name or the name
39 of the previous holder, if any, and the known name and address of
40 each previous holder of the property.

1 **Sec. 9.** RCW 63.30.240 and 2022 c 225 s 403 are each amended to
2 read as follows:

3 (1) Except as otherwise provided in subsection (2) of this
4 section and subject to subsection (3) of this section, the report
5 under RCW 63.30.220 must be filed and paid on or before (~~November~~
6 ~~1st~~) October 31st of each year and cover the 12 months preceding
7 July 1st of that year.

8 (2) Subject to subsection (3) of this section, the report under
9 RCW 63.30.220 to be filed by an insurance company must be filed and
10 paid on or before (~~May 1st~~) April 30th of each year for the
11 immediately preceding calendar year.

12 (3) Before the date for filing the report under RCW 63.30.220,
13 the holder of property presumed abandoned may request the
14 administrator to extend the time for filing. The administrator may
15 grant an extension. If the extension is granted, the holder may pay
16 or make a partial payment of the amount the holder estimates
17 ultimately will be due. The payment or partial payment terminates
18 accrual of interest on the amount paid.

19 **Sec. 10.** RCW 63.30.280 and 2022 c 225 s 501 are each amended to
20 read as follows:

21 (1) Subject to subsection (2) of this section, the holder of
22 property presumed abandoned (~~shall~~) must send to the apparent owner
23 notice by first-class United States mail that complies with RCW
24 63.30.290 in a format acceptable to the administrator not more than
25 180 days nor less than 60 days before filing the report under RCW
26 63.30.220 if:

27 (a) The holder has in its records an address for the apparent
28 owner which the holder's records do not disclose to be invalid and is
29 sufficient to direct the delivery of first-class United States mail
30 to the apparent owner; and

31 (b) The value of the property is (~~\$75~~) \$50 or more.

32 (2) If an apparent owner has consented to receive email delivery
33 from the holder, the holder (~~shall~~) must send the notice described
34 in subsection (1) of this section both by first-class United States
35 mail to the apparent owner's last known mailing address and by email,
36 unless the holder believes that the apparent owner's email address is
37 invalid.

1 **Sec. 11.** RCW 63.30.300 and 2022 c 225 s 503 are each amended to
2 read as follows:

3 (1) The administrator (~~(shall)~~) must give notice to an apparent
4 owner that property presumed abandoned and appears to be owned by the
5 apparent owner is held by the administrator under this chapter.

6 (2) In providing notice under subsection (1) of this section, the
7 administrator (~~(shall)~~) must:

8 (a) Except as otherwise provided in (b) of this subsection, send
9 written notice by first-class United States mail to each apparent
10 owner of property valued at (~~(\$75)~~) \$50 or more held by the
11 administrator, unless the administrator determines that a mailing by
12 first-class United States mail would not be received by the apparent
13 owner, and, in the case of a security held in an account for which
14 the apparent owner had consented to receiving email from the holder,
15 send notice by email if the email address of the apparent owner is
16 known to the administrator instead of by first-class United States
17 mail; or

18 (b) Send the notice to the apparent owner's email address if the
19 administrator does not have a valid United States mail address for an
20 apparent owner, but has an email address that the administrator does
21 not know to be invalid.

22 (3) In addition to the notice under subsection (2) of this
23 section, the administrator (~~(shall)~~) must:

24 (a) Publish every 12 months in the printed or online version of a
25 newspaper of general circulation within this state, which the
26 administrator determines is most likely to give notice to the
27 apparent owner of the property, notice of property held by the
28 administrator which must include:

29 (i) The total value of property received by the administrator
30 during the preceding 12-month period, taken from the reports under
31 RCW 63.30.220;

32 (ii) The total value of claims paid by the administrator during
33 the preceding 12-month period;

34 (iii) The internet web address of the unclaimed property website
35 maintained by the administrator;

36 (iv) A telephone number and email address to contact the
37 administrator to inquire about or claim property; and

38 (v) A statement that a person may access the internet by a
39 computer to search for unclaimed property and a computer may be
40 available as a service to the public at a local public library; and

1 (b) Maintain a website or database accessible by the public and
2 electronically searchable which contains the names reported to the
3 administrator of all apparent owners for whom property is being held
4 by the administrator.

5 (4) The website or database maintained under subsection (3)(b) of
6 this section must include instructions for filing with the
7 administrator a claim to property and a printable claim form with
8 instructions for its use.

9 (5) In addition to giving notice under subsection (2) of this
10 section, publishing the information under subsection (3)(a) of this
11 section and maintaining the website or database under subsection
12 (3)(b) of this section, the administrator may use other printed
13 publication, telecommunications, the internet, or other media to
14 inform the public of the existence of unclaimed property held by the
15 administrator.

16 **Sec. 12.** RCW 63.30.330 and 2022 c 225 s 602 are each amended to
17 read as follows:

18 (1) A holder may deduct a dormancy charge from property required
19 to be paid or delivered to the administrator if:

20 (a) A valid contract between the holder and the apparent owner
21 authorizes imposition of the charge for the apparent owner's failure
22 to claim the property within a specified time; (~~and~~)

23 (b) The holder regularly imposes the charge and regularly does
24 not reverse or otherwise cancel the charge; and

25 (c) The holder notifies the apparent owner three months before
26 ceasing interest payments or charging dormancy fees.

27 (2) The amount of the deduction under subsection (1) of this
28 section is limited to an amount that is not unconscionable
29 considering all relevant factors, including the marginal
30 transactional costs incurred by the holder in maintaining the
31 apparent owner's property and any services received by the apparent
32 owner.

33 **Sec. 13.** RCW 63.30.340 and 2022 c 225 s 603 are each amended to
34 read as follows:

35 (1)(a) Except as otherwise provided in this section, on filing a
36 report under RCW 63.30.220, the holder (~~shall~~) must pay or deliver
37 to the administrator the property described in the report. Holders
38 who are required to file a report electronically under this chapter

1 must remit payments under this section by electronic funds transfer
2 or other form of electronic payment acceptable to the administrator.
3 However, the administrator, upon request or its own initiative, may
4 relieve any holder or class of holders from the electronic payment
5 requirement under this subsection for good cause as determined by the
6 administrator.

7 (b) For purposes of this subsection, "good cause" means:

8 (i) A circumstance or condition exists that, in the
9 administrator's judgment, prevents the holder from remitting payments
10 due under this section electronically; or

11 (ii) The administrator determines that relief from the electronic
12 payment requirement under this subsection supports the efficient or
13 effective administration of this chapter.

14 (2) If property in a report under RCW 63.30.220 is an
15 automatically renewable deposit and a penalty or forfeiture in the
16 payment of interest would result from paying the deposit to the
17 administrator at the time of the report, the date for payment of the
18 property to the administrator is extended until a penalty or
19 forfeiture no longer would result from payment, if the holder informs
20 the administrator of the extended date.

21 (3) (~~Tangible property in a safe deposit box may not be~~
22 ~~delivered to the administrator until 180 days after filing the report~~
23 ~~under RCW 63.30.220.)) If the property in the report is tangible
24 property held in a safe deposit box, the administrator must provide
25 delivery instructions to the holder.~~

26 (4) If property reported to the administrator under RCW 63.30.220
27 is a security, the administrator may:

28 (a) Make an endorsement, instruction, or entitlement order on
29 behalf of the apparent owner to invoke the duty of the issuer, its
30 transfer agent, or the securities intermediary to transfer the
31 security; or

32 (b) Dispose of the security under RCW 63.30.430.

33 (5) If the holder of that property reported to the administrator
34 under RCW 63.30.220 is the issuer of a certificated security, the
35 administrator may obtain a replacement certificate in physical or
36 book-entry form under RCW 62A.8-405. An indemnity bond is not
37 required.

38 (6) The administrator (~~shall~~) must establish procedures for the
39 registration, issuance, method of delivery, transfer, and maintenance
40 of securities delivered to the administrator by a holder.

1 (7) An issuer, holder, and transfer agent or other person acting
2 under this section under instructions of and on behalf of the issuer
3 or holder is not liable to the apparent owner for, and must be
4 indemnified by the state against, a claim arising with respect to
5 property after the property has been delivered to the administrator.

6 (8) A holder is not required to deliver to the administrator a
7 security identified by the holder as a nonfreely transferable
8 security. If the administrator or holder determines that a security
9 is no longer a nonfreely transferable security, the holder (~~((shall))~~)
10 must deliver the security on the next regular date prescribed for
11 delivery of securities under this chapter. The holder (~~((shall))~~) must
12 make a determination annually whether a security identified in a
13 report filed under RCW 63.30.220 as a nonfreely transferable security
14 is no longer a nonfreely transferable security.

15 (9) If the property reported to the administrator is virtual
16 currency, the holder must liquidate the virtual currency within 30
17 days before filing the report under RCW 63.30.220. The report and
18 liquidated proceeds must be submitted according to the due dates
19 under RCW 63.30.240. The owner will not have recourse against the
20 holder or the administrator to recover any gain in value after the
21 virtual currency's liquidation under this subsection.

22 **Sec. 14.** RCW 63.30.360 and 2022 c 225 s 605 are each amended to
23 read as follows:

24 (1) A holder that under this chapter pays money to the
25 administrator may file a claim for (~~((reimbursement))~~) a refund from
26 the administrator of the amount paid if the holder:

27 (a) Paid the money in error to the administrator; or

28 (b) After paying the money to the administrator, paid money to a
29 person the holder reasonably believed was entitled to the money.

30 (2) If a claim for (~~((reimbursement))~~) a refund under subsection
31 (1) of this section is made for a payment made on a negotiable
32 instrument, including a traveler's check, money order, or similar
33 instrument, the holder must submit proof that the instrument was
34 presented and the payment was made to a person the holder reasonably
35 believed was entitled to the payment. The holder may claim
36 (~~((reimbursement))~~) a refund even if the payment was made to a person
37 whose claim was made after the expiration of a period of limitation
38 on the owner's right to receive or recover property, whether
39 specified by contract, statute, or court order.

1 (3) If a holder is (~~reimbursed~~) paid by the administrator under
2 subsection (1)(b) of this section, and the property was an interest-
3 bearing demand, savings, or time deposit, the holder may also recover
4 from the administrator (~~income or gain~~) interest under RCW
5 63.30.380 that would have been paid to the owner if the money had
6 been claimed from the administrator by the owner to the extent the
7 (~~income or gain~~) interest was paid by the holder to the owner.

8 (4) A holder that under this chapter delivers property other than
9 money to the administrator may file a claim for return of the
10 property from the administrator if:

11 (a) The holder delivered the property to the administrator in
12 error; or

13 (b) The apparent owner has claimed the property from the holder.

14 (5) If a claim for return of property under subsection (4) of
15 this section is made, the holder (~~shall~~) must include with the
16 claim evidence sufficient to establish that the apparent owner has
17 claimed the property from the holder or that the property was
18 delivered by the holder to the administrator in error.

19 (6) The administrator may determine that an affidavit submitted
20 by a holder is evidence sufficient to establish that the holder is
21 entitled to (~~reimbursement~~) a refund or to recover property under
22 this section.

23 (7) A holder is not required to pay a fee or other charge for
24 (~~reimbursement~~) a refund or return of property under this section.

25 (8) Not later than 90 days after a claim is filed under
26 subsection (1) or (4) of this section, the administrator (~~shall~~)
27 must allow or deny the claim and give the (~~claimant~~) holder notice
28 of the decision in a record. If the administrator does not take
29 action on a claim during the 90-day period, the claim is deemed
30 denied.

31 (9) (a) If, upon receipt of an application under this section for
32 a refund or return of property, or an examination conducted under RCW
33 63.30.580, it is determined by the administrator that any amount,
34 interest, or penalty has been paid in excess of what was properly due
35 under this chapter or that any property was delivered to the
36 administrator under this chapter in error, then except for amounts
37 delivered by the administrator to a claimant under RCW 63.30.540 and
38 63.30.550, the excess amount must be refunded to the holder, or the
39 property delivered in error returned to the holder, as the case may
40 be.

1 (b) (i) Except as otherwise provided in this section, no refund or
2 return of property may be made for any amount or property paid or
3 delivered, or for any interest or penalty paid, more than six years
4 after the end of the calendar year in which the payment or delivery
5 occurred.

6 (ii) The expiration of the limitations period in (b) (i) of this
7 subsection will not restrict a refund or the return of property if
8 the administrator received a complete application for such refund or
9 return of property before the expiration of such limitations period.

10 (10) The execution of a written waiver signed by the holder and
11 the administrator will extend the time for making a refund of any
12 amounts paid, or a return of property delivered in error, during, or
13 attributable to, the years covered by the waiver if, before the
14 expiration of the waiver, a complete application for refund or return
15 of such amounts or property is made by the holder or the
16 administrator discovers a refund is due or a return of property under
17 this section is required.

18 (11) For purposes of this section, an application for a refund or
19 return of property is complete if it includes information the
20 administrator deems sufficient to substantiate the holder's claim for
21 a refund or return of property. If the administrator receives an
22 incomplete application before the expiration of the limitations
23 period in subsection (9) (b) (i) of this section, the administrator
24 must provide the holder written notice of the deficiencies of
25 information in the application and grant the holder 90 days from the
26 date of such notice to provide sufficient documentation to
27 substantiate the holder's claim for a refund or return of property.

28 (12) Interest as provided under RCW 82.32.050 (1) (c) and (2) must
29 be added to the amount of any refund allowed by the administrator or
30 any court. Interest must be computed from the date the administrator
31 received the excess payment until the date the refund is issued.

32 (13) Decisions under this section are subject to review under RCW
33 63.30.730 and 63.30.740.

34 **Sec. 15.** RCW 63.30.410 and 2022 c 225 s 610 are each amended to
35 read as follows:

36 (1) Expiration, before, on, or after January 1, 2023, of a period
37 of limitation on an owner's right to receive or recover property,
38 whether specified by contract, statute, or court order, does not
39 prevent the property from being presumed abandoned or affect the duty

1 of a holder under this chapter to file a report or pay or deliver
2 property to the administrator.

3 ~~(2) ((The administrator may not commence an action or proceeding~~
4 ~~to enforce this chapter with respect to the reporting, payment, or~~
5 ~~delivery of property))~~ If a holder files a report meeting the
6 requirements under RCW 63.30.220, the administrator, absent a showing
7 of fraud, may not issue a determination of liability under RCW
8 63.30.680 more than six years after the holder filed ((a
9 nonfraudulent report under RCW 63.30.220 with the administrator)) the
10 report. The parties may agree in a record to extend the limitation in
11 this subsection.

12 (3) The administrator may not issue a determination of liability
13 under RCW 63.30.680 or otherwise commence an action, proceeding, or
14 examination with respect to a reporting obligation or other duty of a
15 holder under this chapter more than 10 years after the duty arose,
16 including circumstances where the holder:

17 (a) Fails to file a report with the administrator;

18 (b) Files an incomplete report with the administrator; or

19 (c) Files a fraudulent report with the administrator.

20 **Sec. 16.** RCW 63.30.420 and 2022 c 225 s 701 are each amended to
21 read as follows:

22 (1) Except as otherwise provided in RCW 63.30.430, the
23 administrator may sell the property ~~((a))~~ not earlier than two
24 years after receipt of property stored in a safe deposit box and
25 presumed abandoned ~~((; and (b) not earlier than three years after~~
26 ~~receipt of all other property presumed abandoned))~~.

27 (2) Before selling property under subsection (1) of this section,
28 the administrator ~~((shall))~~ must give notice to the public of:

29 (a) The date of the sale; and

30 (b) A reasonable description of the property.

31 (3) A sale under subsection (1) of this section must be to the
32 highest bidder:

33 (a) At public sale at a location in this state which the
34 administrator determines to be the most favorable market for the
35 property;

36 (b) On the internet; or

37 (c) On another forum the administrator determines is likely to
38 yield the highest net proceeds of sale.

1 (4) The administrator may decline the highest bid at a sale under
2 this section and reoffer the property for sale if the administrator
3 determines the highest bid is insufficient.

4 (5) The administrator must publish at least one notice of the
5 sale, at least three weeks but not more than five weeks before the
6 sale, in a newspaper of general circulation in the county in which
7 the property is sold.

8 **Sec. 17.** RCW 63.30.460 and 2022 c 225 s 705 are each amended to
9 read as follows:

10 (1) The administrator may not sell a medal or decoration awarded
11 for military service in the armed forces of the United States.

12 (2) The administrator, with the consent of the respective
13 organization under (a) of this subsection, agency under (b) of this
14 subsection, or entity under (c) of this subsection, may deliver a
15 medal or decoration described in subsection (1) of this section to be
16 held in custody for the owner, to:

17 (a) A military veterans organization qualified under the internal
18 revenue code (~~(, as it existed on January 1, 2023, 26 U.S.C. Sec.~~
19 ~~501(e)(19))~~);

20 (b) The agency that awarded the medal or decoration; or

21 (c) A governmental entity.

22 (3) On delivery under subsection (2) of this section, the
23 administrator is not responsible for safekeeping the medal or
24 decoration.

25 **Sec. 18.** RCW 63.30.550 and 2022 c 225 s 905 are each amended to
26 read as follows:

27 (1) Not later than 30 days after a claim is allowed under RCW
28 63.30.540(2), the administrator (~~(shall)~~) must pay or deliver to the
29 owner the property or pay to the owner the net proceeds of a sale of
30 the property, together with income or gain to which the owner is
31 entitled under RCW 63.30.380. (~~(On request of the owner, the~~
32 ~~administrator may sell or liquidate a security and pay the net~~
33 ~~proceeds to the owner, even if the security had been held by the~~
34 ~~administrator for less than three years or the administrator has not~~
35 ~~complied with the notice requirements under RCW 63.30.430.))~~

36 (2) Property held under this chapter by the administrator is
37 subject to a claim for the payment of an enforceable debt the owner
38 owes in this state for:

1 (a) Child support arrearages, including child support collection
2 costs and child support arrearages that are combined with
3 maintenance;

4 (b) A civil or criminal fine or penalty, court costs, a
5 surcharge, or restitution imposed by a final order of an
6 administrative agency or a final court judgment; or

7 (c) State or local taxes, penalties, and interest that have been
8 determined to be delinquent.

9 (3) Before delivery or payment to an owner under subsection (1)
10 of this section of property or payment to the owner of net proceeds
11 of a sale of the property, the administrator first (~~shall~~) must
12 apply the property or net proceeds to a debt under subsection (2) of
13 this section the administrator determines is owed by the owner. The
14 administrator (~~shall~~) must pay the amount to the appropriate state
15 or local agency and notify the owner of the payment.

16 (4) The administrator may make periodic inquiries of state and
17 local agencies in the absence of a claim filed under RCW 63.30.530 to
18 determine whether an apparent owner included in the unclaimed
19 property records of this state has enforceable debts described in
20 subsection (2) of this section. The administrator first (~~shall~~)
21 must apply the property or net proceeds of a sale of property held by
22 the administrator to a debt under subsection (2) of this section of
23 an apparent owner which appears in the records of the administrator
24 and deliver the amount to the appropriate state or local agency. The
25 administrator (~~shall~~) must notify the apparent owner of the
26 payment.

27 **Sec. 19.** RCW 63.30.650 and 2022 c 225 s 1009 are each amended to
28 read as follows:

29 (1) In this section, "related to the administrator" refers to an
30 individual who is:

31 (a) The administrator's spouse, partner in a civil union,
32 domestic partner, or reciprocal beneficiary;

33 (b) The administrator's child, stepchild, grandchild, parent,
34 stepparent, sibling, stepsibling, half-sibling, aunt, uncle, niece,
35 or nephew;

36 (c) A spouse, partner in a civil union, domestic partner, or
37 reciprocal beneficiary of an individual under (b) of this subsection;
38 or

39 (d) Any individual residing in the administrator's household.

1 (2) The administrator may contract with a person to conduct an
2 examination under this section and RCW 63.30.570 through 63.30.640
3 and 63.30.660 through 63.30.690. The contract may be awarded only
4 under chapter 39.26 RCW.

5 (3) If the person with which the administrator contracts under
6 subsection (2) of this section is:

7 (a) An individual, the individual may not be related to the
8 administrator; or

9 (b) A business entity, the entity may not be owned in whole or in
10 part by the administrator or an individual related to the
11 administrator.

12 ~~(4) ((At least 60 days before assigning a person under contract~~
13 ~~with the administrator under subsection (2) of this section to~~
14 ~~conduct an examination, the administrator shall demand in a record~~
15 ~~that the person to be examined submit a report and deliver property~~
16 ~~that is previously unreported.~~

17 ~~(5))~~ If the administrator contracts with a person under
18 subsection (2) of this section:

19 (a) The contract may provide for compensation of the person based
20 on a fixed fee, hourly fee, or contingent fee;

21 (b) A contingent fee arrangement may not provide for a payment
22 that exceeds 10 percent of the amount or value of property paid or
23 delivered as a result of the examination; and

24 (c) On request by a person subject to examination by a
25 contractor, the administrator ~~((shall))~~ must deliver to the person a
26 complete and unredacted copy of the contract.

27 ~~((+6))~~ (5) A contract under subsection (2) of this section is
28 subject to public disclosure without redaction under chapter 42.56
29 RCW.

30 **Sec. 20.** RCW 63.30.680 and 2022 c 225 s 1012 are each amended to
31 read as follows:

32 If the administrator determines from an examination conducted
33 under RCW 63.30.580 that a ~~((putative))~~ holder failed or refused to
34 pay or deliver to the administrator property which is reportable
35 under this chapter, the administrator ~~((shall))~~ must issue a
36 determination of the ~~((putative))~~ holder's liability to pay or
37 deliver and give notice in a record to the ~~((putative))~~ holder of the
38 determination.

1 **Sec. 21.** RCW 63.30.690 and 2023 c 258 s 9 are each amended to
2 read as follows:

3 (1) A (~~person~~) holder who fails to pay or deliver property when
4 due is required to pay to the administrator interest at the rate as
5 computed under RCW 82.32.050(1)(c) and set under RCW 82.32.050(2).
6 However, the administrator must waive or cancel interest imposed
7 under this subsection if:

8 (a) The administrator finds that the failure to pay or deliver
9 the property within the time prescribed by this chapter was the
10 result of circumstances beyond the (~~person's~~) holder's control
11 sufficient for waiver or cancellation of interest under RCW
12 82.32.105;

13 (b) The failure to timely pay or deliver the property within the
14 time prescribed by this chapter was the direct result of written
15 instructions given to the (~~person~~) holder by the administrator; or

16 (c) The extension of a due date for payment or delivery under an
17 assessment issued by the administrator was not at the (~~person's~~)
18 holder's request and was for the sole convenience of the
19 administrator.

20 (2) If a (~~person~~) holder fails to file any report or to pay or
21 deliver any amounts or property when due under a report required
22 under this chapter, there is assessed a penalty equal to 10 percent
23 of the amount unpaid and the value of any property not delivered.

24 (3) If an examination results in an assessment for amounts unpaid
25 or property not delivered, there is assessed a penalty equal to 10
26 percent of the amount unpaid and the value of any property not
27 delivered.

28 (4) If a (~~person~~) holder fails to pay or deliver to the
29 administrator by the due date any amounts or property due under (~~a~~
30 ~~assessment~~) a determination issued by the administrator to the
31 (~~person~~) holder, there is assessed an additional penalty of five
32 percent of the amount unpaid and the value of any property not
33 delivered.

34 (5) If a holder makes a fraudulent report under this chapter, the
35 administrator may require the holder to pay the administrator, in
36 addition to interest under this section, a civil penalty of \$1,000
37 for each day from the date the report was made until corrected, up to
38 a cumulative maximum amount of \$25,000, plus 25 percent of the amount
39 or value of any property that should have been reported or was
40 underreported.

1 (6) Penalties under subsections (2) through (4) of this section
2 may be waived or canceled only if:

3 (a) The administrator finds that the failure to pay or deliver
4 within the time prescribed by this chapter was the result of
5 circumstances beyond the ((~~person's~~)) holder's control sufficient for
6 waiver or cancellation of penalties under RCW 82.32.105; or

7 (b) The ((~~person~~)) holder requests the waiver for a report
8 required to be filed under RCW 63.30.220 and has timely filed as
9 provided by RCW 63.30.240 all reports due under RCW 63.30.220 and
10 paid or delivered all property associated with those reports for a
11 period of 24 months immediately preceding the period covered by the
12 report for which the waiver is being requested.

13 (7) If a ((~~person~~)) holder willfully fails to file a report or to
14 provide written notice to apparent owners as required under this
15 chapter, the administrator may assess a civil penalty of \$100 for
16 each day the report is withheld or the notice is not sent, but not
17 more than \$5,000.

18 (8) If a holder, having filed a report, failed to file the report
19 electronically as required by RCW 63.30.220, or failed to pay
20 electronically any amounts due under the report as required by RCW
21 63.30.340, the administrator must assess a penalty equal to five
22 percent of the amount payable or deliverable under the report, unless
23 the administrator grants the ((~~taxpayer~~)) holder relief from the
24 electronic filing and payment requirements. Total penalties assessed
25 under this subsection may not exceed five percent of the amount
26 payable and value of property deliverable under the report.

27 (9) If a holder enters into a contract or other arrangement for
28 the purpose of evading an obligation under this chapter or otherwise
29 willfully fails to perform a duty imposed on the holder under this
30 chapter, the administrator may require the holder to pay the
31 administrator, in addition to interest as provided in this section, a
32 civil penalty of \$1,000 for each day the obligation is evaded or the
33 duty not performed, up to a cumulative maximum amount of \$25,000,
34 plus 25 percent of the amount or value of property that should have
35 been but was not reported, paid, or delivered as a result of the
36 evasion or failure to perform.

37 (10) The penalties imposed in this section are cumulative.

38 **Sec. 22.** RCW 63.30.730 and 2022 c 225 s 1103 are each amended to
39 read as follows:

1 Any (~~person~~) putative holder having been issued a determination
2 by the administrator, or a denial of an application for a refund or
3 return of property, under the provisions of this chapter is entitled
4 to a review by the administrator conducted in accordance with the
5 provisions of RCW 34.05.410 through 34.05.494, subject to judicial
6 review under RCW 34.05.510 through 34.05.598. A petition for review
7 under this section is timely if received in writing by the
8 administrator on or before 90 days after the holder receives the
9 determination from the administrator pursuant to RCW 63.30.680 or
10 from any extension of the due date granted by the administrator, or
11 in the case of a refund or return application, 30 days after the
12 administrator rejects the application in writing, regardless of any
13 subsequent action by the administrator to reconsider its initial
14 decision. The period for filing a petition for review under this
15 section may be extended as provided in a rule adopted by the
16 administrator under chapter 34.05 RCW or upon a written agreement
17 signed by the holder and the administrator.

18 **Sec. 23.** RCW 63.30.740 and 2022 c 225 s 1104 are each amended to
19 read as follows:

20 (1) Any (~~person~~) putative holder who has paid or delivered
21 property to the administrator under the provisions of this chapter,
22 except one who has failed to keep and preserve records as required in
23 this chapter, feeling aggrieved by such payment or delivery, may
24 appeal to the Thurston county superior court. The (~~person~~) putative
25 holder filing a notice of appeal under this section is deemed the
26 plaintiff, and the administrator, the defendant.

27 (2) An appeal under this section must be made within 30 days
28 after the administrator rejects in writing an application for refund
29 or return of property, regardless of any subsequent action by the
30 administrator to reconsider its initial decision.

31 (3) (a) In an appeal filed under this section, the plaintiff must
32 set forth the amount or property, if any, payable or deliverable on
33 the report or assessment that the plaintiff is contesting, which the
34 holder concedes to be the correct amount payable or deliverable, and
35 the reason why the amount payable or deliverable should be reduced or
36 abated.

37 (b) The appeal is perfected only by serving a copy of the notice
38 of appeal upon the administrator and filing the original with proof

1 of service with the clerk of the superior court of Thurston county,
2 within the time specified in subsection (2) of this section.

3 (4) (a) The trial in the superior court on appeal must be de novo
4 and without the necessity of any pleadings other than the notice of
5 appeal. At trial, the burden is on the plaintiff to (i) prove that
6 the amount paid by that ~~((person))~~ putative holder is incorrect,
7 either in whole or in part, or the property in question was delivered
8 in error to the administrator, and (ii) establish the correct amount
9 payable or the property required to be delivered to the
10 administrator, if any.

11 (b) Both parties are entitled to subpoena the attendance of
12 witnesses as in other civil actions and to produce evidence that is
13 competent, relevant, and material to determine the correct amount
14 due, if any, that should be paid by the plaintiff.

15 (c) Either party may seek appellate review in the same manner as
16 other civil actions are appealed to the appellate courts.

17 (5) An appeal may be maintained under this section without the
18 need for the plaintiff to first:

19 (a) Protest against the payment of any amount due or reportable
20 under this chapter or to make any demand to have such amount refunded
21 or returned; or

22 (b) Petition the administrator for a refund, return of property,
23 or a review of its action as authorized in RCW 63.30.730.

24 (6) No court action or proceeding of any kind may be maintained
25 by the plaintiff to recover any amount paid, delivered, or reported
26 to the administrator under this chapter, except as provided in this
27 section or as may be available to the plaintiff under RCW 34.05.510
28 through 34.05.598.

29 (7) No appeal may be maintained under this section with respect
30 to matters reviewed by the administrator under the provisions of
31 chapter 34.05 RCW.

32 **Sec. 24.** RCW 63.30.790 and 2022 c 225 s 1302 are each amended to
33 read as follows:

34 (1) ~~((Subject to subsection (2) of this section, an))~~ An
35 agreement under RCW 63.30.780 is void if ~~((it is entered into during~~
36 ~~the period beginning on the date the property was paid or delivered~~
37 ~~by a holder to the administrator and ending 24 months after the~~
38 ~~payment or delivery.~~

1 ~~(2) If a provision in an agreement described in subsection (1) of~~
2 ~~this section applies to mineral proceeds for which compensation is to~~
3 ~~be paid to the other person based in whole or in part on a part of~~
4 ~~the underlying minerals or mineral proceeds not then presumed~~
5 ~~abandoned, the provision is void regardless of when the agreement was~~
6 ~~entered into.~~

7 (3)) a provision in the agreement applies to mineral proceeds
8 for which compensation is to be paid to the other person based in
9 whole or in part of the underlying minerals or mineral proceeds not
10 then presumed abandoned.

11 (2) An agreement under ((subsection (1) of this section which))
12 RCW 63.30.780 that provides for compensation in an amount that ((is
13 unconscionable)) exceeds five percent of the value of the property
14 reasonably expected to be recovered, is unenforceable ((except by the
15 apparent owner. An apparent owner that believes the compensation the
16 apparent owner has agreed to pay is unconscionable or the
17 administrator, acting on behalf of an apparent owner, or both, may
18 file an action in superior court to reduce the compensation to the
19 maximum amount that is not unconscionable)).

20 ~~((4))~~ (3) An apparent owner or the administrator may assert
21 that an agreement ((described in this section)) under RCW 63.30.780
22 is void on a ground other than it provides for payment of
23 unconscionable compensation in an amount that exceeds five percent of
24 the value of the property reasonably expected to be recovered.

25 ~~((5))~~ (4) This section does not apply to an apparent owner's
26 agreement with an attorney to pursue a claim for recovery of
27 specifically identified property held by the administrator or to
28 contest the administrator's denial of a claim for recovery of the
29 property.

30 **Sec. 25.** RCW 63.30.820 and 2022 c 225 s 1402 are each amended to
31 read as follows:

32 (1) Except as otherwise provided in this chapter, the following
33 are confidential and exempt from public inspection or disclosure:

34 (a) Reports and records of a holder in the possession of the
35 administrator or the administrator's agent; ~~((and))~~

36 (b) Personal information and other information derived or
37 otherwise obtained by or communicated to the administrator or the
38 administrator's agent from an examination under this chapter of the
39 records of a person; and

1 (c) Correspondence sent by the administrator or the
2 administrator's agent to holders concerning past, current, pending,
3 or potential examinations.

4 (2) A record or other information that is confidential under law
5 of this state other than this chapter, another state, or the United
6 States continues to be confidential when disclosed or delivered under
7 this chapter to the administrator or administrator's agent.

8 NEW SECTION. Sec. 26. RCW 63.30.670 (Report by administrator to
9 state official) and 2022 c 225 s 1011 are each repealed.

10 NEW SECTION. Sec. 27. Sections 1 and 2 of this act apply to
11 prearrangement funeral service contracts executed before, on, or
12 after the effective date of this section.

13 NEW SECTION. Sec. 28. Sections 3 through 7, 14 through 17, and
14 20 through 23 of this act apply retroactively and prospectively to
15 January 1, 2023.

16 NEW SECTION. Sec. 29. Sections 8 through 12 of this act take
17 effect January 1, 2026.

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