

CERTIFICATION OF ENROLLMENT

**ENGROSSED SUBSTITUTE SENATE BILL 5531**

Chapter 225, Laws of 2022

67th Legislature  
2022 Regular Session

REVISED UNIFORM UNCLAIMED PROPERTY ACT

EFFECTIVE DATE: January 1, 2023

Passed by the Senate March 10, 2022  
Yeas 49 Nays 0

DENNY HECK

**President of the Senate**

Passed by the House March 9, 2022  
Yeas 60 Nays 37

LAURIE JINKINS

**Speaker of the House of  
Representatives**

Approved March 30, 2022 2:43 PM

JAY INSLEE

**Governor of the State of Washington**

CERTIFICATE

I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5531** as passed by the Senate and the House of Representatives on the dates hereon set forth.

SARAH BANNISTER

**Secretary**

FILED

March 31, 2022

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE SENATE BILL 5531**

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AS AMENDED BY THE HOUSE

Passed Legislature - 2022 Regular Session

**State of Washington**

**67th Legislature**

**2022 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Pedersen, L. Wilson, and Mullet; by request of Uniform Law Commission)

READ FIRST TIME 01/21/22.

1 AN ACT Relating to the revised uniform unclaimed property act;  
2 adding a new chapter to Title 63 RCW; creating a new section;  
3 repealing RCW 63.29.010, 63.29.020, 63.29.030, 63.29.040, 63.29.050,  
4 63.29.060, 63.29.070, 63.29.080, 63.29.090, 63.29.100, 63.29.110,  
5 63.29.120, 63.29.130, 63.29.133, 63.29.135, 63.29.140, 63.29.150,  
6 63.29.160, 63.29.165, 63.29.170, 63.29.180, 63.29.190, 63.29.192,  
7 63.29.193, 63.29.194, 63.29.195, 63.29.200, 63.29.210, 63.29.220,  
8 63.29.230, 63.29.240, 63.29.250, 63.29.260, 63.29.270, 63.29.280,  
9 63.29.290, 63.29.300, 63.29.310, 63.29.320, 63.29.330, 63.29.340,  
10 63.29.350, 63.29.360, 63.29.370, 63.29.380, 63.29.900, 63.29.902,  
11 63.29.903, 63.29.905, and 63.29.906; prescribing penalties; and  
12 providing an effective date.

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

14 **PART 1**  
15 **GENERAL PROVISIONS**

16 NEW SECTION. **Sec. 101.** SHORT TITLE. This chapter may be cited  
17 as the revised uniform unclaimed property act.

1        NEW SECTION.    **Sec. 102.**    DEFINITIONS. The definitions in this  
2 section apply throughout this chapter unless the context clearly  
3 requires otherwise.

4        (1) "Administrator" means the department of revenue established  
5 under RCW 82.01.050.

6        (2) "Administrator's agent" means a person with which the  
7 administrator contracts to conduct an examination under sections 1001  
8 through 1013 of this act on behalf of the administrator. The term  
9 includes an independent contractor of the person and each individual  
10 participating in the examination on behalf of the person or  
11 contractor.

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

15        (4) "Business association" means a corporation, joint stock  
16 company, investment company other than an investment company  
17 registered under the investment company act of 1940, as amended, 15  
18 U.S.C. Secs. 80a-1 through 80a-64, partnership, unincorporated  
19 association, joint venture, limited liability company, business  
20 trust, trust company, land bank, safe deposit company, safekeeping  
21 depository, financial organization, insurance company, federally  
22 chartered entity, utility, sole proprietorship, or other business  
23 entity, whether or not for profit.

24        (5) "Confidential information" means records, reports, and  
25 information that are confidential under section 1402 of this act.

26        (6) "Domicile" means:

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

28        (b) For a business association whose formation requires a filing  
29 with a state, other than a corporation, the state of the principal  
30 place of business of such a business association, if formed under the  
31 laws of a state other than the state in which its principal place of  
32 business is located, unless determined to be otherwise by a court of  
33 competent jurisdiction;

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

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

1 (7) "Electronic" means relating to technology having electrical,  
2 digital, magnetic, wireless, optical, electromagnetic, or similar  
3 capabilities.

4 (8) "Email" means a communication by electronic means which is  
5 automatically retained and stored and may be readily accessed or  
6 retrieved.

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

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

13 (a) Includes:

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

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

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

20 (B) Digital codes; and

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

22 (i) Permits to be redeemed for use outside a game or platform  
23 for:

24 (A) Money; or

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

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

27 (11) "Gift certificate" means a record described in RCW  
28 19.240.010, and includes both gift cards and gift certificates,  
29 including both tangible instruments and electronic records.

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

33 (13) "Insurance company" means an association, corporation, or  
34 fraternal or mutual benefit organization, whether or not for profit,  
35 engaged in the business of providing life endowments, annuities, or  
36 insurance, including accident, burial, casualty, credit life,  
37 contract performance, dental, disability, fidelity, fire, health,  
38 hospitalization, illness, life, malpractice, marine, mortgage,  
39 surety, wage protection, and worker compensation insurance.

1 (14) "Loyalty card" means a record given without direct monetary  
2 consideration under an award, reward, benefit, loyalty, incentive,  
3 rebate, or promotional program which may be used or redeemed only to  
4 obtain goods or services or a discount on goods or services. The term  
5 does not include a record that may be redeemed for money or otherwise  
6 monetized by the issuer.

7 (15) "Mineral" means gas, oil, coal, oil shale, other gaseous  
8 liquid or solid hydrocarbon, cement material, sand and gravel, road  
9 material, building stone, chemical raw material, gemstone,  
10 fissionable and nonfissionable ores, colloidal and other clay, steam  
11 and other geothermal resources, and any other substance defined as a  
12 mineral by law of this state other than this chapter.

13 (16) "Mineral proceeds" means an amount payable for extraction,  
14 production, or sale of minerals, or, on the abandonment of the  
15 amount, an amount that becomes payable after abandonment. The term  
16 includes an amount payable:

17 (a) For the acquisition and retention of a mineral lease,  
18 including a bonus, royalty, compensatory royalty, shut-in royalty,  
19 minimum royalty, and delay rental;

20 (b) For the extraction, production, or sale of minerals,  
21 including a net revenue interest, royalty, overriding royalty,  
22 extraction payment, and production payment; and

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

25 (17) "Money order" means a payment order for a specified amount  
26 of money. The term includes an express money order and a personal  
27 money order on which the remitter is the purchaser.

28 (18) "Municipal bond" means a bond or evidence of indebtedness  
29 issued by a municipality or other political subdivision of a state.

30 (19) "Net card value" means the original purchase price or  
31 original issued value of a stored value card, plus amounts added to  
32 the original price or value, minus amounts used and any service  
33 charge, fee, or dormancy charge permitted by law.

34 (20) "Nonfreely transferable security" means a security that  
35 cannot be delivered to the administrator by the depository trust  
36 clearing corporation or similar custodian of securities providing  
37 posttrade clearing and settlement services to financial markets or  
38 cannot be delivered because there is no agent to effect transfer. The  
39 term includes a worthless security.

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

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

10 (22) "Payroll card" means a record that evidences a payroll card  
11 account as defined in Regulation E, 12 C.F.R. Part 1005, as it  
12 existed on the effective date of this section.

13 (23) "Person" means an individual, estate, business association,  
14 public corporation, government or governmental subdivision, agency,  
15 or instrumentality, or other legal entity.

16 (24) "Property" means tangible property described in section 205  
17 of this act or a fixed and certain interest in intangible property  
18 held, issued, or owed in the course of a holder's business or by a  
19 government, governmental subdivision, agency, or instrumentality. The  
20 term:

- 21 (a) Includes all income from or increments to the property;
- 22 (b) Includes property referred to as or evidenced by:
  - 23 (i) Money, virtual currency, interest, or a dividend, check,  
24 draft, deposit, or payroll card;
  - 25 (ii) A credit balance, customer's overpayment, stored value card,  
26 security deposit, refund, credit memorandum, unpaid wage, unused  
27 ticket for which the issuer has an obligation to provide a refund,  
28 mineral proceeds, or unidentified remittance;
  - 29 (iii) A security except for:
    - 30 (A) A worthless security; or
    - 31 (B) A security that is subject to a lien, legal hold, or  
32 restriction evidenced on the records of the holder or imposed by  
33 operation of law, if the lien, legal hold, or restriction restricts  
34 the holder's or owner's ability to receive, transfer, sell, or  
35 otherwise negotiate the security;
  - 36 (iv) A bond, debenture, note, or other evidence of indebtedness;
  - 37 (v) Money deposited to redeem a security, make a distribution, or  
38 pay a dividend;
  - 39 (vi) An amount due and payable under an annuity contract or  
40 insurance policy; and

1 (vii) An amount distributable from a trust or custodial fund  
2 established under a plan to provide health, welfare, pension,  
3 vacation, severance, retirement, death, stock purchase, profit-  
4 sharing, employee savings, supplemental unemployment insurance, or a  
5 similar benefit; and

6 (c) Does not include:

7 (i) Property held in a plan described in section 529A of the  
8 internal revenue code, as it existed on the effective date of this  
9 section, 26 U.S.C. Sec. 529A;

10 (ii) Game-related digital content;

11 (iii) A loyalty card;

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

13 (v) Store credit for returned merchandise; and

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

16 (A) "Agricultural fair" means a fair or exhibition that is  
17 intended to promote agriculture by including a balanced variety of  
18 exhibits of livestock and agricultural products, as well as related  
19 manufactured products and arts, including products of the farm home  
20 and educational contests, displays, and demonstrations designed to  
21 train youth and to promote the welfare of farmers and rural living;  
22 and

23 (B) "Premium" means an amount paid for exhibits and educational  
24 contests, displays, and demonstrations of an educational nature. A  
25 "premium" does not include judges' fees and expenses; livestock sale  
26 revenues; or prizes or amounts paid for promotion or entertainment  
27 activities such as queen contests, parades, dances, rodeos, and  
28 races.

29 (25) "Putative holder" means a person believed by the  
30 administrator to be a holder, until the person pays or delivers to  
31 the administrator property subject to this chapter or the  
32 administrator or a court makes a final determination that the person  
33 is or is not a holder.

34 (26) "Record" means information that is inscribed on a tangible  
35 medium or that is stored in an electronic or other medium and is  
36 retrievable in perceivable form.

37 (27) "Security" means:

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

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

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

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

7 (iii) Specifically indorsed to the person; or

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

10 (28) "Sign" means, with present intent to authenticate or adopt a  
11 record:

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

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

15 (29) "State" means a state of the United States, the District of  
16 Columbia, the Commonwealth of Puerto Rico, the United States Virgin  
17 Islands, or any territory or insular possession subject to the  
18 jurisdiction of the United States.

19 (30) "Stored value card" means a record evidencing a promise made  
20 for consideration by the seller or issuer of the record that goods,  
21 services, or money will be provided to the owner of the record to the  
22 value or amount shown in the record. The term:

23 (a) Includes:

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

28 (ii) A payroll card; and

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

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

34 (a) Transmission of communications or information;

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

37 (c) Provision of sewage or septic services, or trash, garbage, or  
38 recycling disposal.

39 (32) "Virtual currency" means a digital representation of value  
40 used as a medium of exchange, unit of account, or store of value,



1 which does not have legal tender status recognized by the United  
2 States. The term does not include:

3 (a) The software or protocols governing the transfer of the  
4 digital representation of value;

5 (b) Game-related digital content; or

6 (c) A loyalty card or gift certificate.

7 (33) "Worthless security" means a security whose cost of  
8 liquidation and delivery to the administrator would exceed the value  
9 of the security on the date a report is due under this chapter.

10 NEW SECTION. **Sec. 103.** INAPPLICABILITY TO FOREIGN TRANSACTION.  
11 This chapter does not apply to property held, due, and owing in a  
12 foreign country if the transaction out of which the property arose  
13 was a foreign transaction.

14 NEW SECTION. **Sec. 104.** RULE MAKING. The administrator may adopt  
15 rules under chapter 34.05 RCW to implement and administer this  
16 chapter.

17 **PART 2**

18 **PRESUMPTION OF ABANDONMENT**

19 NEW SECTION. **Sec. 201.** WHEN PROPERTY PRESUMED ABANDONED.  
20 Subject to section 209 of this act, the following property is  
21 presumed abandoned if it is unclaimed by the apparent owner during  
22 the period specified below:

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

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

25 (3) A state or municipal bond, bearer bond, or original issue  
26 discount bond, three years after the earliest of the date the bond  
27 matures or is called or the obligation to pay the principal of the  
28 bond arises;

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

31 (5) A demand, savings, or time deposit, including a deposit that  
32 is automatically renewable, three years after the later of maturity,  
33 if applicable, of the deposit or the owner's last indication of  
34 interest in the deposit, except a deposit that is automatically  
35 renewable is deemed matured on its initial date of maturity unless

1 the apparent owner consented in a record on file with the holder to  
2 renewal at or about the time of the renewal;

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

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

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

13 (i) The insurance company has knowledge of the death of the  
14 insured; or

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

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

21 (8) Property distributable by a business association in the  
22 course of dissolution, one year after the property becomes  
23 distributable;

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

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

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

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

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

37 (14) Property not specified in this section or section 202  
38 through 207 of this act, the earlier of three years after the owner  
39 first has a right to demand the property or the obligation to pay or  
40 distribute the property arises.

1        NEW SECTION.        **Sec. 202.**        WHEN TAX DEFERRED RETIREMENT ACCOUNT

2        PRESUMED ABANDONED. (1) Subject to section 209 of this act, property  
3        held in a pension account or retirement account that qualifies for  
4        tax deferral under the income tax laws of the United States is  
5        presumed abandoned if it is unclaimed by the apparent owner three  
6        years after the later of:

7            (a) The following dates:

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

12          (ii) If the second communication is sent later than 30 days after  
13       the date the first communication is returned undelivered, the date  
14       the first communication was returned undelivered by the United States  
15       postal service; or

16          (b) The earlier of the following dates:

17          (i) The date the apparent owner becomes 72 years of age, if  
18       determinable by the holder; or

19          (ii) If the internal revenue code, as it existed on the effective  
20       date of this section, 26 U.S.C. Sec. 1 et seq., requires distribution  
21       to avoid a tax penalty, two years after the date the holder:

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

24            (B) Confirms the death of the apparent owner under subsection (2)  
25       of this section.

26        (2) If a holder in the ordinary course of its business receives  
27       notice or an indication of the death of an apparent owner and  
28       subsection (1)(b) of this section applies, the holder shall attempt  
29       not later than 90 days after receipt of the notice or indication to  
30       confirm whether the apparent owner is deceased.

31        (3) If the holder does not send communications to the apparent  
32       owner of an account described in subsection (1) of this section by  
33       first-class United States mail, the holder shall attempt to confirm  
34       the apparent owner's interest in the property by sending the apparent  
35       owner an email communication not later than two years after the  
36       apparent owner's last indication of interest in the property.  
37       However, the holder promptly shall attempt to contact the apparent  
38       owner by first-class United States mail if:

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

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

6 (c) The apparent owner does not respond to the email  
7 communication not later than 30 days after the communication was  
8 sent.

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

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

16 (b) If the second communication is sent later than 30 days after  
17 the date the first communication is returned undelivered, the date  
18 the first communication was returned undelivered; or

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

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

23 NEW SECTION. **Sec. 203.** WHEN OTHER TAX DEFERRED ACCOUNT PRESUMED  
24 ABANDONED. Subject to section 209 of this act and except for property  
25 described in section 202 of this act and property held in a plan  
26 described in section 529A of the internal revenue code, as it existed  
27 on the effective date of this section, 26 U.S.C. Sec. 529A, property  
28 held in an account or plan, including a health savings account, that  
29 qualifies for tax deferral under the income tax laws of the United  
30 States is presumed abandoned if it is unclaimed by the apparent owner  
31 three years after the earlier of:

32 (1) The date, if determinable by the holder, specified in the  
33 income tax laws and regulations of the United States by which  
34 distribution of the property must begin to avoid a tax penalty, with  
35 no distribution having been made; or

36 (2) Thirty years after the date the account was opened.

37 NEW SECTION. **Sec. 204.** WHEN CUSTODIAL ACCOUNT FOR MINOR  
38 PRESUMED ABANDONED. (1) Subject to section 209 of this act, property

1 held in an account established under a state's uniform gifts to  
2 minors act or uniform transfers to minors act is presumed abandoned  
3 if it is unclaimed by or on behalf of the minor on whose behalf the  
4 account was opened three years after the later of:

5 (a) Except as in (b) of this subsection, the date a second  
6 consecutive communication sent by the holder by first-class United  
7 States mail to the custodian of the minor on whose behalf the account  
8 was opened is returned undelivered to the holder by the United States  
9 postal service;

10 (b) If the second communication is sent later than 30 days after  
11 the date the first communication is returned undelivered, the date  
12 the first communication was returned undelivered; or

13 (c) The date on which the custodian is required to transfer the  
14 property to the minor or the minor's estate in accordance with the  
15 uniform gifts to minors act or uniform transfers to minors act of the  
16 state in which the account was opened.

17 (2) If the holder does not send communications to the custodian  
18 of the minor on whose behalf an account described in subsection (1)  
19 of this section was opened by first-class United States mail, the  
20 holder shall attempt to confirm the custodian's interest in the  
21 property by sending the custodian an email communication not later  
22 than two years after the custodian's last indication of interest in  
23 the property. However, the holder promptly shall attempt to contact  
24 the custodian by first-class United States mail if:

25 (a) The holder does not have information needed to send the  
26 custodian an email communication or the holder believes that the  
27 custodian's email address in the holder's records is not valid;

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

30 (c) The custodian does not respond to the email communication not  
31 later than 30 days after the communication was sent.

32 (3) If first-class United States mail sent under subsection (2)  
33 of this section is returned undelivered to the holder by the United  
34 States postal service, the property is presumed abandoned three years  
35 after the later of:

36 (a) The date a second consecutive communication to contact the  
37 custodian by first-class United States mail is returned to the holder  
38 undelivered by the United States postal service; or

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

1 (4) When the property in the account described in subsection (1)  
2 of this section is transferred to the minor on whose behalf an  
3 account was opened or to the minor's estate, the property in the  
4 account is no longer subject to this section.

5 NEW SECTION. **Sec. 205.** WHEN CONTENTS OF SAFE DEPOSIT BOX  
6 PRESUMED ABANDONED. Tangible property held in a safe deposit box and  
7 proceeds from a sale of the property by the holder permitted by law  
8 of this state other than this chapter are presumed abandoned if the  
9 property remains unclaimed by the apparent owner five years after the  
10 earlier of the:

- 11 (1) Expiration of the lease or rental period for the box; or  
12 (2) Earliest date when the lessor of the box is authorized by law  
13 of this state other than this chapter to enter the box and remove or  
14 dispose of the contents without consent or authorization of the  
15 lessee.

16 NEW SECTION. **Sec. 206.** WHEN STORED VALUE CARD PRESUMED  
17 ABANDONED. (1) Subject to section 209 of this act, the net card value  
18 of a stored value card, other than a payroll card, is presumed  
19 abandoned on the latest of three years after:

- 20 (a) December 31st of the year in which the card is issued or  
21 additional funds are deposited into it;  
22 (b) The most recent indication of interest in the card by the  
23 apparent owner; or  
24 (c) A verification or review of the balance by or on behalf of  
25 the apparent owner.  
26 (2) The amount presumed abandoned in a stored value card is the  
27 net card value at the time it is presumed abandoned.

28 NEW SECTION. **Sec. 207.** WHEN SECURITY PRESUMED ABANDONED. (1)  
29 Subject to section 209 of this act, a security is presumed abandoned  
30 three years after:

- 31 (a) The date a second consecutive communication sent by the  
32 holder by first-class United States mail to the apparent owner is  
33 returned to the holder undelivered by the United States postal  
34 service; or  
35 (b) If the second communication is made later than 30 days after  
36 the first communication is returned, the date the first communication

1 is returned undelivered to the holder by the United States postal  
2 service.

3 (2) If the holder does not send communications to the apparent  
4 owner of a security by first-class United States mail, the holder  
5 shall attempt to confirm the apparent owner's interest in the  
6 security by sending the apparent owner an email communication not  
7 later than two years after the apparent owner's last indication of  
8 interest in the security. However the holder promptly shall attempt  
9 to contact the apparent owner by first-class United States mail if:

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

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

15 (c) The apparent owner does not respond to the email  
16 communication not later than 30 days after the communication was  
17 sent.

18 (3) If first-class United States mail sent under subsection (2)  
19 of this section is returned to the holder undelivered by the United  
20 States postal service, the security is presumed abandoned three years  
21 after the date the mail is returned.

22 NEW SECTION. **Sec. 208.** WHEN RELATED PROPERTY PRESUMED  
23 ABANDONED. At and after the time property is presumed abandoned under  
24 this chapter, any other property right or interest accrued or  
25 accruing from the property and not previously presumed abandoned is  
26 also presumed abandoned.

27 NEW SECTION. **Sec. 209.** INDICATION OF APPARENT OWNER INTEREST IN  
28 PROPERTY. (1) The period after which property is presumed abandoned  
29 is measured from the later of:

30 (a) The date the property is presumed abandoned under this  
31 section and sections 201 through 208, 210, and 211 of this act; or

32 (b) The latest indication of interest by the apparent owner in  
33 the property.

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

36 (a) A record communicated by the apparent owner to the holder or  
37 agent of the holder concerning the property or the account in which  
38 the property is held;

1 (b) An oral communication by the apparent owner to the holder or  
2 agent of the holder concerning the property or the account in which  
3 the property is held, if the holder or its agent contemporaneously  
4 makes and preserves a record of the fact of the apparent owner's  
5 communication;

6 (c) Presentment of a check or other instrument of payment of a  
7 dividend, interest payment, or other distribution, or evidence of  
8 receipt of a distribution made by electronic or similar means, with  
9 respect to an account, underlying security, or interest in a business  
10 association;

11 (d) Activity directed by an apparent owner in the account in  
12 which the property is held, including accessing the account or  
13 information concerning the account, or a direction by the apparent  
14 owner to increase, decrease, or otherwise change the amount or type  
15 of property held in the account;

16 (e) A deposit into or withdrawal from an account at a financial  
17 organization, including an automatic deposit or withdrawal previously  
18 authorized by the apparent owner other than an automatic reinvestment  
19 of dividends or interest;

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

22 (g) Any other action by the apparent owner which reasonably  
23 demonstrates to the holder that the apparent owner knows that the  
24 property exists.

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

28 (4) A communication with an apparent owner by a person other than  
29 the holder or the holder's representative is not an indication of  
30 interest in the property by the apparent owner unless a record of the  
31 communication evidences the apparent owner's knowledge of a right to  
32 the property.

33 (5) If the insured dies or the insured or beneficiary of an  
34 insurance policy otherwise becomes entitled to the proceeds before  
35 depletion of the cash surrender value of the policy by operation of  
36 an automatic premium loan provision or other nonforfeiture provision  
37 contained in the policy, the operation does not prevent the policy  
38 from maturing or terminating.



1           NEW SECTION.       **Sec. 210.**       KNOWLEDGE OF DEATH OF INSURED OR

2 ANNUITANT. (1) In this section, "death master file" means the United  
3 States social security administration death master file or other  
4 database or service that is at least as comprehensive as the United  
5 States social security administration death master file for  
6 determining that an individual reportedly has died.

7           (2) With respect to a life or endowment insurance policy or  
8 annuity contract for which an amount is owed on proof of death, but  
9 which has not matured by proof of death of the insured or annuitant,  
10 the company has knowledge of the death of an insured or annuitant  
11 when:

12           (a) The company receives a death certificate or court order  
13 determining that the insured or annuitant has died;

14           (b) Due diligence, performed as required under chapter 48.23 RCW  
15 and rules promulgated thereunder to maintain contact with the insured  
16 or annuitant or determine whether the insured or annuitant has died,  
17 validates the death of the insured or annuitant;

18           (c) The company conducts a comparison for any purpose between a  
19 death master file and the names of some or all of the company's  
20 insureds or annuitants, finds a match that provides notice that the  
21 insured or annuitant has died, and validates the death;

22           (d) (i) The administrator or the administrator's agent conducts a  
23 comparison for the purpose of finding matches during an examination  
24 conducted under sections 1001 through 1013 of this act between a  
25 death master file and the names of some or all of the company's  
26 insureds or annuitants, finds a match that provides notice that the  
27 insured or annuitant has died, and the company validates the death.

28           (ii) The administrator or the administrator's agent may not  
29 exercise the authority provided in (d) (i) of this subsection (2) when  
30 the company has conducted a death master file comparison, relevant to  
31 the period under examination, in accordance with (c) of this  
32 subsection (2) and subsection (3) of this section; or

33           (e) The company:

34           (i) Receives notice of the death of the insured or annuitant from  
35 an administrator, beneficiary, policy owner, relative of the insured,  
36 or trustee or from a personal representative or other legal  
37 representative of the insured's or annuitant's estate; and

38           (ii) Validates the death of the insured or annuitant.

39           (3) The following rules apply under this section:

1 (a) A death master file match under subsection (2)(c) and (d) of  
2 this section occurs if the criteria for an exact or partial match are  
3 satisfied as provided by:

4 (i) Law of this state other than this chapter;

5 (ii) A rule or policy adopted by the office of the insurance  
6 commissioner; or

7 (iii) Absent a law, rule, or policy under (a)(i) or (ii) of this  
8 subsection standards in the national conference of insurance  
9 legislators' "model unclaimed life insurance benefits act" as  
10 published in 2014.

11 (b) The death master file match does not constitute proof of  
12 death for the purpose of submission to an insurance company of a  
13 claim by a beneficiary, annuitant, or owner of the policy or contract  
14 for an amount due under an insurance policy or annuity contract.

15 (c) The death master file match or validation of the insured's or  
16 annuitant's death does not alter the requirements for a beneficiary,  
17 annuitant, or owner of the policy or contract to make a claim to  
18 receive proceeds under the terms of the policy or contract.

19 (d) If no provision in Title 48 RCW or rules promulgated  
20 thereunder establishes a time for validation of a death of an insured  
21 or annuitant, the insurance company shall make a good faith effort  
22 using other available records and information to validate the death  
23 and document the effort taken not later than 90 days after the  
24 insurance company has notice of the death.

25 (4) This chapter does not affect the determination of the extent  
26 to which an insurance company before the effective date of this  
27 section had knowledge of the death of an insured or annuitant or was  
28 required to conduct a death master file comparison to determine  
29 whether amounts owed by the company on a life or endowment insurance  
30 policy or annuity contract were presumed abandoned or unclaimed.

31 NEW SECTION. **Sec. 211.** DEPOSIT ACCOUNT FOR PROCEEDS OF  
32 INSURANCE POLICY OR ANNUITY CONTRACT. If proceeds payable under a  
33 life or endowment insurance policy or annuity contract are deposited  
34 into an account with check or draft writing privileges for the  
35 beneficiary of the policy or contract and, under a supplementary  
36 contract not involving annuity benefits other than death benefits,  
37 the proceeds are retained by the insurance company or the financial  
38 organization where the account is held, the policy or contract  
39 includes the assets in the account.

1 **PART 3**

2 **RULES FOR TAKING CUSTODY OF PROPERTY PRESUMED ABANDONED**

3 NEW SECTION. **Sec. 301.** ADDRESS OF APPARENT OWNER TO ESTABLISH  
4 PRIORITY. In this section and sections 302 through 307 of this act,  
5 the following rules apply:

6 (1) The last known address of an apparent owner is any  
7 description, code, or other indication of the location of the  
8 apparent owner which identifies the state, even if the description,  
9 code, or indication of location is not sufficient to direct the  
10 delivery of first-class United States mail to the apparent owner.

11 (2) If the United States postal zip code associated with the  
12 apparent owner is for a post office located in this state, this state  
13 is deemed to be the state of the last known address of the apparent  
14 owner unless other records associated with the apparent owner  
15 specifically identify the physical address of the apparent owner to  
16 be in another state.

17 (3) If the address under subsection (2) of this section is in  
18 another state, the other state is deemed to be the state of the last  
19 known address of the apparent owner.

20 (4) The address of the apparent owner of a life or endowment  
21 insurance policy or annuity contract or its proceeds is presumed to  
22 be the address of the insured or annuitant if a person other than the  
23 insured or annuitant is entitled to the amount owed under the policy  
24 or contract and the address of the other person is not known by the  
25 insurance company and cannot be determined under section 302 of this  
26 act.

27 NEW SECTION. **Sec. 302.** ADDRESS OF APPARENT OWNER IN THIS STATE.  
28 The administrator may take custody of property that is presumed  
29 abandoned, whether located in this state, another state, or a foreign  
30 country if:

31 (1) The last known address of the apparent owner in the records  
32 of the holder is in this state; or

33 (2) The records of the holder do not reflect the identity or last  
34 known address of the apparent owner, but the administrator has  
35 determined that the last known address of the apparent owner is in  
36 this state.

1        NEW SECTION.    **Sec. 303.**    IF RECORDS SHOW MULTIPLE ADDRESSES OF  
2 APPARENT OWNER. (1) Except as in subsection (2) of this section, if  
3 records of a holder reflect multiple addresses for an apparent owner  
4 and this state is the state of the most recently recorded address,  
5 this state may take custody of property presumed abandoned, whether  
6 located in this state or another state.

7        (2) If it appears from records of the holder that the most  
8 recently recorded address of the apparent owner under subsection (1)  
9 of this section is a temporary address and this state is the state of  
10 the next most recently recorded address that is not a temporary  
11 address, this state may take custody of the property presumed  
12 abandoned.

13        NEW SECTION.    **Sec. 304.**    HOLDER DOMICILED IN THIS STATE. (1)  
14 Except as in subsection (2) of this section or section 302 or 303 of  
15 this act, the administrator may take custody of property presumed  
16 abandoned, whether located in this state, another state, or a foreign  
17 country, if the holder is domiciled in this state or is this state or  
18 a governmental subdivision, agency, or instrumentality of this state,  
19 and:

20        (a) Another state or foreign country is not entitled to the  
21 property because there is no last known address of the apparent owner  
22 or other person entitled to the property in the records of the  
23 holder; or

24        (b) The state or foreign country of the last known address of the  
25 apparent owner or other person entitled to the property does not  
26 provide for custodial taking of the property.

27        (2) Property is not subject to custody of the administrator under  
28 subsection (1) of this section if the property is specifically exempt  
29 from custodial taking under the law of this state or the state or  
30 foreign country of the last known address of the apparent owner.

31        (3) If a holder's state of domicile has changed since the time  
32 property was presumed abandoned, the holder's state of domicile in  
33 this section is deemed to be the state where the holder was domiciled  
34 at the time the property was presumed abandoned.

35        NEW SECTION.    **Sec. 305.**    CUSTODY IF TRANSACTION TOOK PLACE IN  
36 THIS STATE. Except as in section 302, 303, or 304 of this act, the  
37 administrator may take custody of property presumed abandoned whether  
38 located in this state or another state if:

1 (1) The transaction out of which the property arose took place in  
2 this state;

3 (2) The holder is domiciled in a state that does not provide for  
4 the custodial taking of the property, except that if the property is  
5 specifically exempt from custodial taking under the law of the state  
6 of the holder's domicile, the property is not subject to the custody  
7 of the administrator; and

8 (3) The last known address of the apparent owner or other person  
9 entitled to the property is unknown or in a state that does not  
10 provide for the custodial taking of the property, except that if the  
11 property is specifically exempt from custodial taking under the law  
12 of the state of the last known address, the property is not subject  
13 to the custody of the administrator.

14 NEW SECTION. **Sec. 306.** TRAVELER'S CHECK, MONEY ORDER, OR  
15 SIMILAR INSTRUMENT. The administrator may take custody of sums  
16 payable on a traveler's check, money order, or similar instrument  
17 presumed abandoned to the extent permissible under 12 U.S.C. Secs.  
18 2501 through 2503, as it existed on the effective date of this  
19 section.

20 NEW SECTION. **Sec. 307.** BURDEN OF PROOF TO ESTABLISH  
21 ADMINISTRATOR'S RIGHT TO CUSTODY. If the administrator asserts a  
22 right to custody of unclaimed property, the administrator has the  
23 burden to prove:

- 24 (1) The existence and amount of the property;  
25 (2) The property is presumed abandoned; and  
26 (3) The property is subject to the custody of the administrator.

27 **PART 4**  
28 **REPORT BY HOLDER**

29 NEW SECTION. **Sec. 401.** REPORT REQUIRED BY HOLDER. (1) A holder  
30 of property presumed abandoned and subject to the custody of the  
31 administrator shall report in a record to the administrator  
32 concerning the property.

33 (2) A holder may contract with a third party to make the report  
34 required under subsection (1) of this section.

35 (3) Whether or not a holder contracts with a third party under  
36 subsection (2) of this section, the holder is responsible:

1 (a) To the administrator for the complete, accurate, and timely  
2 reporting of property presumed abandoned; and

3 (b) For paying or delivering to the administrator property  
4 described in the report.

5 (4) (a) Reports due under this section must be filed  
6 electronically in a form or manner provided or authorized by the  
7 administrator. However, the administrator, upon request or its own  
8 initiative, may relieve any holder or class of holders from the  
9 electronic filing requirement under this subsection for good cause as  
10 determined by the administrator.

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

12 (i) A circumstance or condition exists that, in the  
13 administrator's judgment, prevents the holder from electronically  
14 filing the report due under this section; or

15 (ii) The administrator determines that relief from the electronic  
16 filing requirement under this subsection supports the efficient or  
17 effective administration of this chapter.

18 NEW SECTION. **Sec. 402.** CONTENT OF REPORT. (1) The report  
19 required under section 401 of this act must:

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

22 (b) If filed electronically, be in a secure format approved by  
23 the administrator which protects confidential information of the  
24 apparent owner in the same manner as required of the administrator  
25 and the administrator's agent under sections 1401 through 1408 of  
26 this act;

27 (c) Describe the property;

28 (d) Except for a traveler's check, money order, or similar  
29 instrument, contain the name, if known, last known address, if known,  
30 and social security number or taxpayer identification number, if  
31 known or readily ascertainable, of the apparent owner of property  
32 with a value of \$50 or more;

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

37 (f) For property held in or removed from a safe deposit box,  
38 indicate the location of the property, where it may be inspected by

1 the administrator, and any amounts owed to the holder under section  
2 606 of this act;

3 (g) Contain the commencement date for determining abandonment  
4 under sections 201 through 211 of this act;

5 (h) State that the holder has complied with the notice  
6 requirements of section 501 of this act;

7 (i) Identify property that is a nonfreely transferable security  
8 and explain why it is a nonfreely transferable security; and

9 (j) Contain other information the administrator prescribes by  
10 rules.

11 (2) A report under section 401 of this act may include in the  
12 aggregate items valued under \$50 each. If the report includes items  
13 in the aggregate valued under \$50 each, the administrator may not  
14 require the holder to provide the name and address of an apparent  
15 owner of an item unless the information is necessary to verify or  
16 process a claim in progress by the apparent owner.

17 (3) A report under section 401 of this act may include personal  
18 information as defined in section 1401(1) of this act about the  
19 apparent owner or the apparent owner's property to the extent not  
20 otherwise prohibited by federal law.

21 (4) If a holder has changed its name while holding property  
22 presumed abandoned or is a successor to another person that  
23 previously held the property for the apparent owner, the holder must  
24 include in the report under section 401 of this act its former name  
25 or the name of the previous holder, if any, and the known name and  
26 address of each previous holder of the property.

27 NEW SECTION. **Sec. 403.** WHEN REPORT TO BE FILED. (1) Except as  
28 otherwise provided in subsection (2) of this section and subject to  
29 subsection (3) of this section, the report under section 401 of this  
30 act must be filed before November 1st of each year and cover the 12  
31 months preceding July 1st of that year.

32 (2) Subject to subsection (3) of this section, the report under  
33 section 401 of this act to be filed by an insurance company must be  
34 filed before May 1st of each year for the immediately preceding  
35 calendar year.

36 (3) Before the date for filing the report under section 401 of  
37 this act, the holder of property presumed abandoned may request the  
38 administrator to extend the time for filing. The administrator may  
39 grant an extension. If the extension is granted, the holder may pay

1 or make a partial payment of the amount the holder estimates  
2 ultimately will be due. The payment or partial payment terminates  
3 accrual of interest on the amount paid.

4 NEW SECTION. **Sec. 404.** RETENTION OF RECORDS BY HOLDER. A holder  
5 required to file a report under section 401 of this act must retain  
6 records for six years after the later of the date the report was  
7 filed or the last date a timely report was due to be filed, unless a  
8 shorter period is provided by rule of the administrator. The holder  
9 may satisfy the requirement to retain records under this section  
10 through an agent. The records must contain:

- 11 (1) The information required to be included in the report;
- 12 (2) The date, place, and nature of the circumstances that gave  
13 rise to the property right;
- 14 (3) The amount or value of the property;
- 15 (4) The last address of the apparent owner, if known to the  
16 holder; and
- 17 (5) If the holder sells, issues, or provides to others for sale  
18 or issue in this state traveler's checks, money orders, or similar  
19 instruments, other than third-party bank checks, on which the holder  
20 is directly liable, a record of the instruments while they remain  
21 outstanding indicating the state and date of issue.

22 NEW SECTION. **Sec. 405.** PROPERTY REPORTABLE AND PAYABLE OR  
23 DELIVERABLE ABSENT OWNER DEMAND. Property is reportable and payable  
24 or deliverable under this chapter even if the owner fails to make  
25 demand or present an instrument or document otherwise required to  
26 obtain payment.

27 NEW SECTION. **Sec. 406.** ABANDONED INTANGIBLE PROPERTY HELD BY A  
28 LOCAL GOVERNMENT. (1) A local government holding abandoned intangible  
29 property that is not forwarded to the department of revenue in  
30 subsection (2) of this section is not required to maintain current  
31 records of this property for longer than five years after the  
32 property is presumed abandoned, and at that time may archive records  
33 of this intangible property and transfer the intangible property to  
34 its general fund. However, the local government remains liable to pay  
35 the intangible property to a person or entity subsequently  
36 establishing its ownership of this intangible property.



1 (2) Counties, cities, towns, and other municipal and quasi-  
2 municipal corporations that hold funds representing warrants canceled  
3 pursuant to RCW 36.22.100 and 39.56.040, uncashed checks, and  
4 property tax overpayments or refunds may retain the funds until the  
5 owner notifies them and establishes ownership as provided in this  
6 chapter. Counties, cities, towns, or other municipal and quasi-  
7 municipal corporations must provide to the administrator a report of  
8 property it is holding pursuant to this section. The report must  
9 identify the property and owner in the manner provided in this part 4  
10 and the administrator must publish the information as provided in  
11 section 503 of this act.

12 **PART 5**

13 **NOTICE TO APPARENT OWNER OF PROPERTY PRESUMED ABANDONED**

14 NEW SECTION. **Sec. 501.** NOTICE TO APPARENT OWNER BY HOLDER. (1)  
15 Subject to subsection (2) of this section, the holder of property  
16 presumed abandoned shall send to the apparent owner notice by first-  
17 class United States mail that complies with section 502 of this act  
18 in a format acceptable to the administrator not more than 180 days  
19 nor less than 60 days before filing the report under section 401 of  
20 this act if:

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

25 (b) The value of the property is \$75 or more.

26 (2) If an apparent owner has consented to receive email delivery  
27 from the holder, the holder shall send the notice described in  
28 subsection (1) of this section both by first-class United States mail  
29 to the apparent owner's last known mailing address and by email,  
30 unless the holder believes that the apparent owner's email address is  
31 invalid.

32 NEW SECTION. **Sec. 502.** CONTENTS OF NOTICE BY HOLDER. (1) Notice  
33 under section 501 of this act must contain a heading that reads  
34 substantially as follows:

35 "Notice

1 The state of Washington requires us to notify you that your  
2 property may be transferred to the custody of the department of  
3 revenue if you do not contact us before (insert date that is 30 days  
4 after the date of this notice)."

5 (2) The notice under section 501 of this act must:

6 (a) Identify the nature and, except for property that does not  
7 have a fixed value, the value of the property that is the subject of  
8 the notice;

9 (b) State that the property will be turned over to the  
10 administrator;

11 (c) State that after the property is turned over to the  
12 administrator an apparent owner that seeks return of the property  
13 must file a claim with the administrator;

14 (d) State that property that is not legal tender of the United  
15 States may be sold by the administrator; and

16 (e) Provide instructions that the apparent owner must follow to  
17 prevent the holder from reporting and paying or delivering the  
18 property to the administrator.

19 NEW SECTION. **Sec. 503.** NOTICE BY ADMINISTRATOR. (1) The  
20 administrator shall give notice to an apparent owner that property  
21 presumed abandoned and appears to be owned by the apparent owner is  
22 held by the administrator under this chapter.

23 (2) In providing notice under subsection (1) of this section, the  
24 administrator shall:

25 (a) Except as otherwise provided in (b) of this subsection, send  
26 written notice by first-class United States mail to each apparent  
27 owner of property valued at \$75 or more held by the administrator,  
28 unless the administrator determines that a mailing by first-class  
29 United States mail would not be received by the apparent owner, and,  
30 in the case of a security held in an account for which the apparent  
31 owner had consented to receiving email from the holder, send notice  
32 by email if the email address of the apparent owner is known to the  
33 administrator instead of by first-class United States mail; or

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

1 (3) In addition to the notice under subsection (2) of this  
2 section, the administrator shall:

3 (a) Publish every 12 months in the printed or online version of a  
4 newspaper of general circulation within this state, which the  
5 administrator determines is most likely to give notice to the  
6 apparent owner of the property, notice of property held by the  
7 administrator which must include:

8 (i) The total value of property received by the administrator  
9 during the preceding 12-month period, taken from the reports under  
10 section 401 of this act;

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

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

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

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

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

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

28 (5) In addition to giving notice under subsection (2) of this  
29 section, publishing the information under subsection (3)(a) of this  
30 section and maintaining the website or database under subsection  
31 (3)(b) of this section, the administrator may use other printed  
32 publication, telecommunications, the internet, or other media to  
33 inform the public of the existence of unclaimed property held by the  
34 administrator.

35 NEW SECTION. **Sec. 504.** COOPERATION AMONG STATE OFFICERS AND  
36 AGENCIES TO LOCATE APPARENT OWNER. Unless prohibited by law of this  
37 state other than this chapter, on request of the administrator, each  
38 officer, agency, board, commission, division, and department of this  
39 state, any body politic and corporate created by this state for a

1 public purpose, and each political subdivision of this state shall  
2 make its books and records available to the administrator and  
3 cooperate with the administrator to determine the current address of  
4 an apparent owner of property held by the administrator under this  
5 chapter.

6 **PART 6**

7 **TAKING CUSTODY OF PROPERTY BY ADMINISTRATOR**

8 NEW SECTION. **Sec. 601.** DEFINITION OF GOOD FAITH. In this  
9 section and sections 602 through 610 of this act, payment or delivery  
10 of property is made in good faith if a holder:

11 (1) Had a reasonable basis for believing, based on the facts then  
12 known, that the property was required or permitted to be paid or  
13 delivered to the administrator under this chapter; or

14 (2) Made payment or delivery:

15 (a) In response to a demand by the administrator or  
16 administrator's agent; or

17 (b) Under a guidance or ruling issued by the administrator which  
18 the holder reasonably believed required or permitted the property to  
19 be paid or delivered.

20 NEW SECTION. **Sec. 602.** DORMANCY CHARGE. (1) A holder may deduct  
21 a dormancy charge from property required to be paid or delivered to  
22 the administrator if:

23 (a) A valid contract between the holder and the apparent owner  
24 authorizes imposition of the charge for the apparent owner's failure  
25 to claim the property within a specified time; and

26 (b) The holder regularly imposes the charge and regularly does  
27 not reverse or otherwise cancel the charge.

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

34 NEW SECTION. **Sec. 603.** PAYMENT OR DELIVERY OF PROPERTY TO  
35 ADMINISTRATOR. (1)(a) Except as otherwise provided in this section,  
36 on filing a report under section 401 of this act, the holder shall

1 pay or deliver to the administrator the property described in the  
2 report. Holders who are required to file a report electronically  
3 under this chapter must remit payments under this section by  
4 electronic funds transfer or other form of electronic payment  
5 acceptable to the administrator. However, the administrator, upon  
6 request or its own initiative, may relieve any holder or class of  
7 holders from the electronic payment requirement under this subsection  
8 for good cause as determined by the administrator.

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

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

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

16 (2) If property in a report under section 401 of this act is an  
17 automatically renewable deposit and a penalty or forfeiture in the  
18 payment of interest would result from paying the deposit to the  
19 administrator at the time of the report, the date for payment of the  
20 property to the administrator is extended until a penalty or  
21 forfeiture no longer would result from payment, if the holder informs  
22 the administrator of the extended date.

23 (3) Tangible property in a safe deposit box may not be delivered  
24 to the administrator until 180 days after filing the report under  
25 section 401 of this act.

26 (4) If property reported to the administrator under section 401  
27 of this act 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 section 702 of this act.

33 (5) If the holder of that property reported to the administrator  
34 under section 401 of this act is the issuer of a certificated  
35 security, the administrator may obtain a replacement certificate in  
36 physical or book-entry form under RCW 62A.8-405. An indemnity bond is  
37 not required.

38 (6) The administrator shall 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 deliver the security on the next regular date prescribed for delivery  
11 of securities under this chapter. The holder shall make a  
12 determination annually whether a security identified in a report  
13 filed under section 401 of this act as a nonfreely transferable  
14 security is no longer a nonfreely transferable security.

15 NEW SECTION. **Sec. 604.** EFFECT OF PAYMENT OR DELIVERY OF  
16 PROPERTY TO ADMINISTRATOR. (1) On payment or delivery of property to  
17 the administrator under this chapter, the administrator as agent for  
18 the state assumes custody and responsibility for safekeeping the  
19 property. A holder that pays or delivers property to the  
20 administrator in good faith and substantially complies with sections  
21 501 and 502 of this act is relieved of liability arising thereafter  
22 with respect to payment or delivery of the property to the  
23 administrator.

24 (2) This state shall defend and indemnify a holder against  
25 liability on a claim against the holder resulting from the payment or  
26 delivery of property to the administrator made in good faith and  
27 after the holder substantially complied with sections 501 and 502 of  
28 this act.

29 NEW SECTION. **Sec. 605.** RECOVERY OF PROPERTY BY HOLDER FROM  
30 ADMINISTRATOR. (1) A holder that under this chapter pays money to the  
31 administrator may file a claim for reimbursement from the  
32 administrator of the amount paid if the holder:

33 (a) Paid the money in error; or

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

36 (2) If a claim for reimbursement under subsection (1) of this  
37 section is made for a payment made on a negotiable instrument,  
38 including a traveler's check, money order, or similar instrument, the

1 holder must submit proof that the instrument was presented and  
2 payment was made to a person the holder reasonably believed was  
3 entitled to payment. The holder may claim reimbursement even if the  
4 payment was made to a person whose claim was made after expiration of  
5 a period of limitation on the owner's right to receive or recover  
6 property, whether specified by contract, statute, or court order.

7 (3) If a holder is reimbursed by the administrator under  
8 subsection (1)(b) of this section, the holder may also recover from  
9 the administrator income or gain under section 607 of this act that  
10 would have been paid to the owner if the money had been claimed from  
11 the administrator by the owner to the extent the income or gain was  
12 paid by the holder to the owner.

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

16 (a) The holder delivered the property in error; or

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

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

23 (6) The administrator may determine that an affidavit submitted  
24 by a holder is evidence sufficient to establish that the holder is  
25 entitled to reimbursement or to recover property under this section.

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

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

33 (9) Decisions under this section are subject to review under  
34 sections 1103 and 1104 of this act.

35 NEW SECTION. **Sec. 606.** PROPERTY REMOVED FROM SAFE DEPOSIT BOX.  
36 Property removed from a safe deposit box and delivered to the  
37 administrator under this chapter is subject to the holder's right to  
38 reimbursement for the cost of opening the box and a lien or contract  
39 providing reimbursement to the holder for unpaid rent charges for the

1 box. The administrator shall reimburse the holder from the proceeds  
2 remaining after deducting the expense incurred by the administrator  
3 in selling the property.

4 NEW SECTION. **Sec. 607.** CREDITING INCOME OR GAIN TO OWNER'S  
5 ACCOUNT. If property other than money is delivered to the  
6 administrator, the owner is entitled to receive from the  
7 administrator income or gain realized or accrued on the property  
8 before the property is sold. If the property was an interest-bearing  
9 demand, savings, or time deposit, the administrator shall pay  
10 interest at the rate the property earned while in possession of the  
11 holder. Interest begins to accrue when the property is delivered to  
12 the administrator and ends on the earlier of the expiration of 10  
13 years after its delivery or the date on which payment is made to the  
14 owner.

15 NEW SECTION. **Sec. 608.** ADMINISTRATOR'S OPTIONS AS TO CUSTODY.

16 (1) The administrator may decline to take custody of property  
17 reported under section 401 of this act if the administrator  
18 determines that:

19 (a) The property has a value less than the estimated expenses of  
20 notice and sale of the property; or

21 (b) Taking custody of the property would be unlawful.

22 (2) A holder may pay or deliver property to the administrator  
23 before the property is presumed abandoned under this chapter if the  
24 holder:

25 (a) Sends the apparent owner of the property notice required by  
26 section 501 of this act and provides the administrator evidence of  
27 the holder's compliance with this subsection (2)(a);

28 (b) Includes with the payment or delivery a report regarding the  
29 property conforming to section 402 of this act; and

30 (c) First obtains the administrator's consent in a record to  
31 accept payment or delivery.

32 (3) A holder's request for the administrator's consent under  
33 subsection (2)(c) of this section must be in a record. If the  
34 administrator fails to respond to the request not later than 30 days  
35 after receipt of the request, the administrator is deemed to consent  
36 to the payment or delivery of the property and the payment or  
37 delivery is considered to have been made in good faith.



1 (4) On payment or delivery of property under subsection (2) of  
2 this section, the property is presumed abandoned.

3 NEW SECTION. **Sec. 609.** DISPOSITION OF PROPERTY HAVING NO  
4 SUBSTANTIAL VALUE—IMMUNITY FROM LIABILITY. (1) If the administrator  
5 takes custody of property delivered under this chapter and later  
6 determines that the property has no substantial commercial value or  
7 that the cost of disposing of the property will exceed the value of  
8 the property, the administrator may return the property to the holder  
9 or destroy or otherwise dispose of the property.

10 (2) An action or proceeding may not be commenced against the  
11 state, an agency of the state, the administrator, another officer,  
12 employee, or agent of the state, or a holder for or because of an act  
13 of the administrator under this section, except for intentional  
14 misconduct or malfeasance.

15 NEW SECTION. **Sec. 610.** PERIODS OF LIMITATION AND REPOSE. (1)  
16 Expiration, before, on, or after the effective date of this section,  
17 of a period of limitation on an owner's right to receive or recover  
18 property, whether specified by contract, statute, or court order,  
19 does not prevent the property from being presumed abandoned or affect  
20 the duty of a holder under this chapter to file a report or pay or  
21 deliver property to the administrator.

22 (2) The administrator may not commence an action or proceeding to  
23 enforce this chapter with respect to the reporting, payment, or  
24 delivery of property more than six years after the holder filed a  
25 nonfraudulent report under section 401 of this act with the  
26 administrator. The parties may agree in a record to extend the  
27 limitation in this subsection.

28 (3) The administrator may not commence an action, proceeding, or  
29 examination with respect to a duty of a holder under this chapter  
30 more than 10 years after the duty arose.

31 **PART 7**

32 **SALE OF PROPERTY BY ADMINISTRATOR**

33 NEW SECTION. **Sec. 701.** PUBLIC SALE OF PROPERTY. (1) Except as  
34 otherwise provided in section 702 of this act, the administrator may  
35 sell the property (a) not earlier than two years after receipt of  
36 property stored in a safe deposit box and presumed abandoned; and (b)

1 not earlier than three years after receipt of all other property  
2 presumed abandoned.

3 (2) Before selling property under subsection (1) of this section,  
4 the administrator shall give notice to the public of:

5 (a) The date of the sale; and

6 (b) A reasonable description of the property.

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

9 (a) At public sale at a location in this state which the  
10 administrator determines to be the most favorable market for the  
11 property;

12 (b) On the internet; or

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

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

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

22 NEW SECTION. **Sec. 702.** DISPOSAL OF SECURITIES. (1) Except as  
23 otherwise provided in this subsection, the administrator must sell  
24 all securities delivered to the administrator as required by this  
25 chapter as soon as practicable after taking custody, in the judgment  
26 of the administrator, after receipt by the administrator. However,  
27 this subsection does not apply with respect to any securities that,  
28 in the judgment of the administrator, cannot be sold, are worthless,  
29 or are not cost-effective to sell.

30 (2) Securities listed on an established stock exchange must be  
31 sold at prices prevailing at the time of sale on the exchange. Other  
32 securities may be sold over the counter at prices prevailing at the  
33 time of sale or by any other method the administrator considers  
34 advisable. All securities may be sold over the counter at prices  
35 prevailing at the time of the sale, or by any other method the  
36 administrator deems advisable.

37 NEW SECTION. **Sec. 703.** RECOVERY OF SECURITIES OR VALUE BY  
38 OWNER. (1) Except as otherwise provided in this section, a person

1 making a claim under this chapter with respect to securities is only  
2 entitled to receive the proceeds received from sale, even if the sale  
3 of the securities has not been completed at the time the  
4 administrator receives the claim. However, if the administrator  
5 receives a claim for securities and the administrator has not ordered  
6 those securities to be sold as of the time the claim is received by  
7 the administrator, the claimant is entitled to receive either the  
8 securities delivered to the administrator by the holder, or the  
9 proceeds received from the sale, less any amounts deducted pursuant  
10 to section 803 of this act.

11 (2) With respect to securities that, in the judgment of the  
12 administrator, cannot be sold or are not cost-effective to sell and  
13 that remain in the possession of the administrator, a person making a  
14 claim under this chapter is only entitled to receive the securities  
15 delivered to the administrator by the holder.

16 NEW SECTION. **Sec. 704.** PURCHASER OWNS PROPERTY AFTER SALE. A  
17 purchaser of property at a sale conducted by the administrator under  
18 this chapter takes the property free of all claims of the owner, a  
19 previous holder, or a person claiming through the owner or holder.  
20 The administrator shall execute documents necessary to complete the  
21 transfer of ownership to the purchaser.

22 NEW SECTION. **Sec. 705.** MILITARY MEDAL OR DECORATION. (1) The  
23 administrator may not sell a medal or decoration awarded for military  
24 service in the armed forces of the United States.

25 (2) The administrator, with the consent of the respective  
26 organization under (a) of this subsection, agency under (b) of this  
27 subsection, or entity under (c) of this subsection, may deliver a  
28 medal or decoration described in subsection (1) of this section to be  
29 held in custody for the owner, to:

30 (a) A military veterans organization qualified under the internal  
31 revenue code, as it existed on the effective date of this section, 26  
32 U.S.C. Sec. 501(c)(19);

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

34 (c) A governmental entity.

35 (3) On delivery under subsection (2) of this section, the  
36 administrator is not responsible for safekeeping the medal or  
37 decoration.

1 **PART 8**

2 **ADMINISTRATION OF PROPERTY**

3 NEW SECTION. **Sec. 801.** DEPOSIT OF FUNDS BY ADMINISTRATOR. (1)

4 Except as otherwise provided by this section, the administrator shall  
5 promptly deposit in the general fund of this state all funds received  
6 under this chapter, including the proceeds from the sale of property  
7 under sections 701 through 705 of this act. The administrator shall  
8 retain in a separate trust fund, the nonappropriated unclaimed  
9 personal property account, an amount not less than \$750,000 from  
10 which prompt payment of claims duly allowed must be made by the  
11 administrator.

12 (2) The administrator may pay from the trust fund provided in  
13 subsection (1) of this section any costs of administering this  
14 chapter including those costs set forth in section 803 of this act.  
15 Such amounts may be expended without appropriation.

16 (3) The department may periodically transfer from the general  
17 fund of this state to the unclaimed personal property account amounts  
18 necessary to accommodate the requirements of this section.

19 NEW SECTION. **Sec. 802.** ADMINISTRATOR TO RETAIN RECORDS OF  
20 PROPERTY. The administrator shall:

21 (1) Record and retain the name and last known address of each  
22 person shown on a report filed under section 401 of this act to be  
23 the apparent owner of property delivered to the administrator;

24 (2) Record and retain the name and last known address of each  
25 insured or annuitant and beneficiary shown on the report;

26 (3) For each policy of insurance or annuity contract listed in  
27 the report of an insurance company, record and retain the policy or  
28 account number, the name of the company, and the amount due or paid;  
29 and

30 (4) For each apparent owner listed in the report, record and  
31 retain the name of the holder that filed the report and the amount  
32 due or paid.

33 NEW SECTION. **Sec. 803.** EXPENSES AND SERVICE CHARGES OF  
34 ADMINISTRATOR. The administrator may expend from the unclaimed  
35 personal property account for the following purposes:

36 (1) Expenses of disposition of property delivered to the  
37 administrator under this chapter;

1 (2) Costs of mailing and publication in connection with property  
2 delivered to the administrator under this chapter;

3 (3) Reasonable service charges; and

4 (4) Expenses incurred in examining records of or collecting  
5 property from a putative holder or holder.

6 NEW SECTION. **Sec. 804.** ADMINISTRATOR HOLDS PROPERTY AS  
7 CUSTODIAN FOR OWNER. Property received by the administrator under  
8 this chapter is held in custody for the benefit of the owner and is  
9 not owned by the state.

10 **PART 9**

11 **CLAIM TO RECOVER PROPERTY FROM ADMINISTRATOR**

12 NEW SECTION. **Sec. 901.** CLAIM OF ANOTHER STATE TO RECOVER  
13 PROPERTY. (1) If the administrator knows that property held by the  
14 administrator under this chapter is subject to a superior claim of  
15 another state, the administrator shall:

16 (a) Report and pay or deliver the property to the other state; or

17 (b) Return the property to the holder so that the holder may pay  
18 or deliver the property to the other state.

19 (2) The administrator is not required to enter into an agreement  
20 to transfer property to the other state under subsection (1) of this  
21 section.

22 NEW SECTION. **Sec. 902.** WHEN PROPERTY SUBJECT TO RECOVERY BY  
23 ANOTHER STATE. (1) Property held under this chapter by the  
24 administrator is subject to the right of another state to take  
25 custody of the property if:

26 (a) The property was paid or delivered to the administrator  
27 because the records of the holder did not reflect a last known  
28 address in the other state of the apparent owner and:

29 (i) The other state establishes that the last known address of  
30 the apparent owner or other person entitled to the property was in  
31 the other state; or

32 (ii) Under the law of the other state, the property has become  
33 subject to a claim by the other state of abandonment;

34 (b) The records of the holder did not accurately identify the  
35 owner of the property, the last known address of the owner was in

1 another state, and, under the law of the other state, the property  
2 has become subject to a claim by the other state of abandonment;

3 (c) The property was subject to the custody of the administrator  
4 of this state under section 305 of this act and, under the law of the  
5 state of domicile of the holder, the property has become subject to a  
6 claim by the state of domicile of the holder of abandonment; or

7 (d) The property:

8 (i) Is a sum payable on a traveler's check, money order, or  
9 similar instrument that was purchased in the other state and  
10 delivered to the administrator under section 306 of this act; and

11 (ii) Under the law of the other state, has become subject to a  
12 claim by the other state of abandonment.

13 (2) A claim by another state to recover property under this  
14 section must be presented in a form prescribed by the administrator,  
15 unless the administrator waives presentation of the form.

16 (3) The administrator shall decide a claim under this section not  
17 later than 90 days after it is presented. If the administrator  
18 determines that the other state is entitled under subsection (1) of  
19 this section to custody of the property, the administrator shall  
20 allow the claim and pay or deliver the property to the other state.

21 (4) The administrator may require another state, before  
22 recovering property under this section, to agree to indemnify this  
23 state and its agents, officers, and employees against any liability  
24 on a claim to the property.

25 NEW SECTION. **Sec. 903.** CLAIM FOR PROPERTY BY PERSON CLAIMING TO  
26 BE OWNER. (1) A person claiming to be the owner of property held  
27 under this chapter by the administrator may file a claim for the  
28 property on a form prescribed by the administrator. The claimant must  
29 verify the claim as to its completeness and accuracy.

30 (2) The administrator may waive the requirement in subsection (1)  
31 of this section and may pay or deliver property directly to a person  
32 if:

33 (a) The person receiving the property or payment is shown to be  
34 the apparent owner included on a report filed under section 401 of  
35 this act; and

36 (b) The administrator reasonably believes the person is entitled  
37 to receive the property or payment.

1        NEW SECTION.    **Sec. 904.**    WHEN ADMINISTRATOR MUST HONOR CLAIM FOR  
2 PROPERTY. (1) The administrator shall pay or deliver property to a  
3 claimant under section 903(1) of this act if the administrator  
4 receives evidence sufficient to establish to the satisfaction of the  
5 administrator that the claimant is the owner of the property.

6        (2) Not later than 90 days after a claim is filed under section  
7 903(1) of this act, the administrator shall allow or deny the claim  
8 and give the claimant notice in a record of the decision.

9        (3) If the claim is denied under subsection (2) of this section:

10        (a) The administrator shall inform the claimant of the reason for  
11 the denial and specify what additional evidence, if any, is required  
12 for the claim to be allowed;

13        (b) The claimant may file an amended claim with the administrator  
14 or commence an action under section 906 of this act; and

15        (c) The administrator shall consider an amended claim filed under  
16 (b) of this subsection as an initial claim.

17        (4) If the administrator does not take action on a claim during  
18 the 90-day period following the filing of a claim under section  
19 903(1) of this act, the claim is deemed denied.

20        NEW SECTION.    **Sec. 905.**    ALLOWANCE OF CLAIM FOR PROPERTY. (1) Not  
21 later than 30 days after a claim is allowed under section 904(2) of  
22 this act, the administrator shall pay or deliver to the owner the  
23 property or pay to the owner the net proceeds of a sale of the  
24 property, together with income or gain to which the owner is entitled  
25 under section 607 of this act. On request of the owner, the  
26 administrator may sell or liquidate a security and pay the net  
27 proceeds to the owner, even if the security had been held by the  
28 administrator for less than three years or the administrator has not  
29 complied with the notice requirements under section 702 of this act.

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

33        (a) Child support arrearages, including child support collection  
34 costs and child support arrearages that are combined with  
35 maintenance;

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

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

3 (3) Before delivery or payment to an owner under subsection (1)  
4 of this section of property or payment to the owner of net proceeds  
5 of a sale of the property, the administrator first shall apply the  
6 property or net proceeds to a debt under subsection (2) of this  
7 section the administrator determines is owed by the owner. The  
8 administrator shall pay the amount to the appropriate state or local  
9 agency and notify the owner of the payment.

10 (4) The administrator may make periodic inquiries of state and  
11 local agencies in the absence of a claim filed under section 903 of  
12 this act to determine whether an apparent owner included in the  
13 unclaimed property records of this state has enforceable debts  
14 described in subsection (2) of this section. The administrator first  
15 shall apply the property or net proceeds of a sale of property held  
16 by the administrator to a debt under subsection (2) of this section  
17 of an apparent owner which appears in the records of the  
18 administrator and deliver the amount to the appropriate state or  
19 local agency. The administrator shall notify the apparent owner of  
20 the payment.

21 NEW SECTION. **Sec. 906.** ACTION BY PERSON WHOSE CLAIM IS DENIED.  
22 Not later than one year after filing a claim under section 904(1) of  
23 this act, the claimant may commence an action against the  
24 administrator in Thurston county superior court to establish a claim  
25 that has been denied or deemed denied under section 904 of this act.

## 26 **PART 10**

### 27 **VERIFIED REPORT OF PROPERTY—EXAMINATION OF RECORDS**

28 NEW SECTION. **Sec. 1001.** VERIFIED REPORT OF PROPERTY. If a  
29 person does not file a report required by section 401 of this act or  
30 the administrator believes that a person may have filed an  
31 inaccurate, incomplete, or false report, the administrator may  
32 require the person to file a verified report in a form prescribed by  
33 the administrator. The verified report must:

34 (1) State whether the person is holding property reportable under  
35 this chapter;

36 (2) Describe property not previously reported or about which the  
37 administrator has inquired;



1 (3) Specifically identify property described under subsection (2)  
2 of this section about which there is a dispute whether it is  
3 reportable under this section; and

4 (4) State the amount or value of the property.

5 NEW SECTION. **Sec. 1002.** EXAMINATION OF RECORDS TO DETERMINE  
6 COMPLIANCE. The administrator, at reasonable times and on reasonable  
7 notice, may:

8 (1) Examine the records of a person, including examination of  
9 appropriate records in the possession of an agent of the person under  
10 examination, if the records are reasonably necessary to determine  
11 whether the person has complied with this chapter;

12 (2) Issue an administrative subpoena requiring the person or  
13 agent of the person to make records available for examination; and

14 (3) Bring an action seeking judicial enforcement of the subpoena.

15 NEW SECTION. **Sec. 1003.** RULES FOR CONDUCTING EXAMINATION. (1)  
16 The administrator shall adopt rules governing procedures and  
17 standards for an examination under section 1002 of this act,  
18 including rules for use of an estimation, extrapolation, and  
19 statistical sampling in conducting an examination.

20 (2) An examination under section 1002 of this act must be  
21 performed under rules adopted under subsection (1) of this section  
22 and with generally accepted examination practices and standards  
23 applicable to an unclaimed property examination.

24 (3) If a person subject to examination under section 1002 of this  
25 act has filed the reports required under sections 401 and 1001 of  
26 this act and has retained the records required by section 404 of this  
27 act, the following rules apply:

28 (a) The examination must include a review of the person's  
29 records.

30 (b) The examination may not be based on an estimate unless the  
31 person expressly consents in a record to the use of an estimate or  
32 the person has failed to make its records available to the  
33 administrator for examination.

34 (c) The person conducting the examination shall consider the  
35 evidence presented in good faith by the person in preparing the  
36 findings of the examination under section 1007 of this act.

1           NEW SECTION.       **Sec. 1004.**       RECORDS OBTAINED IN EXAMINATION.

2       Records obtained and records, including work papers, compiled by the  
3       administrator in the course of conducting an examination under  
4       section 1002 of this act:

5           (1) Are subject to the confidentiality and security provisions of  
6       sections 1401 through 1408 of this act and are not public records;

7           (2) May be used by the administrator in an action to collect  
8       property or otherwise enforce this chapter;

9           (3) May be used in a joint examination conducted with another  
10       state, the United States, a foreign country or subordinate unit of a  
11       foreign country, or any other governmental entity if the governmental  
12       entity conducting the examination is legally bound to maintain the  
13       confidentiality and security of information obtained from a person  
14       subject to examination in a manner substantially equivalent to  
15       sections 1401 through 1408 of this act;

16          (4) Must be disclosed, on request, to the person that administers  
17       the unclaimed property law of another state for that state's use in  
18       circumstances equivalent to circumstances described in this section  
19       and sections 1001 through 1003 and 1005 through 1013 of this act, if  
20       the other state is required to maintain the confidentiality and  
21       security of information obtained in a manner substantially equivalent  
22       to sections 1401 through 1408 of this act;

23          (5) Must be produced by the administrator under an administrative  
24       or judicial subpoena or administrative or court order; and

25          (6) Must be produced by the administrator on request of the  
26       person subject to the examination in an administrative or judicial  
27       proceeding relating to the property.

28           NEW SECTION.       **Sec. 1005.**       EVIDENCE OF UNPAID DEBT OR UNDISCHARGED

29       OBLIGATION. (1) A record of a putative holder showing an unpaid debt  
30       or undischarged obligation is prima facie evidence of the debt or  
31       obligation.

32           (2) A putative holder may establish by a preponderance of the  
33       evidence that there is no unpaid debt or undischarged obligation for  
34       a debt or obligation described in subsection (1) of this section or  
35       that the debt or obligation was not, or no longer is, a fixed and  
36       certain obligation of the putative holder.

37           (3) A putative holder may overcome prima facie evidence under  
38       subsection (1) of this section by establishing by a preponderance of  
39       the evidence that a check, draft, or similar instrument was:

1 (a) Issued as an unaccepted offer in settlement of an  
2 unliquidated amount;

3 (b) Issued but later was replaced with another instrument because  
4 the earlier instrument was lost or contained an error that was  
5 corrected;

6 (c) Issued to a party affiliated with the issuer;

7 (d) Paid, satisfied, or discharged;

8 (e) Issued in error;

9 (f) Issued without consideration;

10 (g) Issued but there was a failure of consideration;

11 (h) Voided within a reasonable time after issuance for a valid  
12 business reason set forth in a contemporaneous record; or

13 (i) Issued but not delivered to the third-party payee for a  
14 sufficient reason recorded within a reasonable time after issuance.

15 (4) In asserting a defense under this section, a putative holder  
16 may present evidence of a course of dealing between the putative  
17 holder and the apparent owner or of custom and practice.

18 NEW SECTION. **Sec. 1006.** FAILURE OF PERSON EXAMINED TO RETAIN  
19 RECORDS. If a person subject to examination under section 1002 of  
20 this act does not retain the records required by section 404 of this  
21 act, the administrator may determine the value of property due using  
22 a reasonable method of estimation based on all information available  
23 to the administrator, including extrapolation and use of statistical  
24 sampling when appropriate and necessary, consistent with examination  
25 procedures and standards adopted under section 1003(1) of this act  
26 and in accordance with section 1003(2) of this act.

27 NEW SECTION. **Sec. 1007.** REPORT TO PERSON WHOSE RECORDS WERE  
28 EXAMINED. At the conclusion of an examination under section 1002 of  
29 this act, the administrator shall provide to the person whose records  
30 were examined a complete and unredacted examination report that  
31 specifies:

32 (1) The work performed;

33 (2) The property types reviewed;

34 (3) The methodology of any estimation technique, extrapolation,  
35 or statistical sampling used in conducting the examination;

36 (4) Each calculation showing the value of property determined to  
37 be due; and

38 (5) The findings of the person conducting the examination.

1        NEW SECTION.        **Sec. 1008.**        COMPLAINT TO ADMINISTRATOR ABOUT  
2 CONDUCT OF PERSON CONDUCTING EXAMINATION. (1) If a person subject to  
3 examination under section 1002 of this act believes the person  
4 conducting the examination has made an unreasonable or unauthorized  
5 request or is not proceeding expeditiously to complete the  
6 examination, the person in a record may ask the administrator to  
7 intervene and take appropriate remedial action, including  
8 countermanding the request of the person conducting the examination,  
9 imposing a time limit for completion of the examination, or  
10 reassigning the examination to another person.

11        (2) If a person in a record requests a conference with the  
12 administrator to present matters that are the basis of a request  
13 under subsection (1) of this section, the administrator shall hold  
14 the conference not later than 30 days after receiving the request.  
15 The administrator may hold the conference in person, by telephone, or  
16 by electronic means.

17        (3) If a conference is held under subsection (2) of this section,  
18 not later than 30 days after the conference ends, the administrator  
19 shall provide a report in a record of the conference to the person  
20 that requested the conference.

21        NEW SECTION.        **Sec. 1009.**        ADMINISTRATOR'S CONTRACT WITH ANOTHER  
22 TO CONDUCT EXAMINATION. (1) In this section, "related to the  
23 administrator" refers to an individual who is:

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

26        (b) The administrator's child, stepchild, grandchild, parent,  
27 stepparent, sibling, stepsibling, half-sibling, aunt, uncle, niece,  
28 or nephew;

29        (c) A spouse, partner in a civil union, domestic partner, or  
30 reciprocal beneficiary of an individual under (b) of this subsection;  
31 or

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

33        (2) The administrator may contract with a person to conduct an  
34 examination under this section and sections 1001 through 1008 and  
35 1010 through 1013 of this act. The contract may be awarded only under  
36 chapter 39.26 RCW.

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

1 (a) An individual, the individual may not be related to the  
2 administrator; or

3 (b) A business entity, the entity may not be owned in whole or in  
4 part by the administrator or an individual related to the  
5 administrator.

6 (4) At least 60 days before assigning a person under contract  
7 with the administrator under subsection (2) of this section to  
8 conduct an examination, the administrator shall demand in a record  
9 that the person to be examined submit a report and deliver property  
10 that is previously unreported.

11 (5) If the administrator contracts with a person under subsection  
12 (2) of this section:

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

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

18 (c) On request by a person subject to examination by a  
19 contractor, the administrator shall deliver to the person a complete  
20 and unredacted copy of the contract.

21 (6) A contract under subsection (2) of this section is subject to  
22 public disclosure without redaction under chapter 42.56 RCW.

23 NEW SECTION. **Sec. 1010.** LIMIT ON FUTURE EMPLOYMENT. The  
24 administrator or an individual employed by the administrator who  
25 participates in, recommends, or approves the award of a contract  
26 under section 1009(2) of this act on or after the effective date of  
27 this section may not be employed by, contracted with, or compensated  
28 in any capacity by the contractor or an affiliate of the contractor  
29 for two years after the latest of participation in, recommendation  
30 of, or approval of the award or conclusion of the contract.

31 NEW SECTION. **Sec. 1011.** REPORT BY ADMINISTRATOR TO STATE  
32 OFFICIAL. (1) Not later than three months after the end of the state  
33 fiscal year, the administrator shall compile and submit a report to  
34 the governor and legislature. The report must contain the following  
35 information about property presumed abandoned for the preceding  
36 fiscal year for the state:

37 (a) The total amount and value of all property paid or delivered  
38 under this chapter to the administrator, separated into:

1 (i) The part voluntarily paid or delivered; and  
2 (ii) The part paid or delivered as a result of an examination  
3 under section 1002 of this act, separated into the part recovered as  
4 a result of an examination conducted by:  
5 (A) A state employee; and  
6 (B) A contractor under section 1009 of this act;  
7 (b) The name of and amount paid to each contractor under section  
8 1009 of this act and the percentage the total compensation paid to  
9 all contractors under section 1009 of this act bears to the total  
10 amount paid or delivered to the administrator as a result of all  
11 examinations performed under section 1009 of this act;  
12 (c) The total amount and value of all property paid or delivered  
13 by the administrator to persons that made claims for property held by  
14 the administrator under this chapter and the percentage the total  
15 payments made and value of property delivered to claimants bears to  
16 the total amounts paid and value delivered to the administrator; and  
17 (d) The total amount of claims made by persons claiming to be  
18 owners which:  
19 (i) Were denied;  
20 (ii) Were allowed; and  
21 (iii) Are pending.  
22 (2) The report under subsection (1) of this section is a public  
23 record subject to public disclosure without redaction under chapter  
24 42.56 RCW.

25 NEW SECTION. **Sec. 1012.** DETERMINATION OF LIABILITY FOR  
26 UNREPORTED REPORTABLE PROPERTY. If the administrator determines from  
27 an examination conducted under section 1002 of this act that a  
28 putative holder failed or refused to pay or deliver to the  
29 administrator property which is reportable under this chapter, the  
30 administrator shall issue a determination of the putative holder's  
31 liability to pay or deliver and give notice in a record to the  
32 putative holder of the determination.

33 NEW SECTION. **Sec. 1013.** INTEREST AND PENALTIES. (1) A person  
34 who fails to pay or deliver property when due is required to pay to  
35 the administrator interest at the rate as computed under RCW  
36 82.32.050(1)(c) and set under RCW 82.32.050(2). However, the  
37 administrator must waive or cancel interest imposed under this  
38 subsection if:

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

5 (b) The failure to timely pay or deliver the property within the  
6 time prescribed by this chapter was the direct result of written  
7 instructions given to the person by the administrator; or

8 (c) The extension of a due date for payment or delivery under an  
9 assessment issued by the administrator was not at the person's  
10 request and was for the sole convenience of the administrator.

11 (2) If a person fails to file any report or to pay or deliver any  
12 amounts or property when due under a report required under this  
13 chapter, there is assessed a penalty equal to 10 percent of the  
14 amount unpaid and the value of any property not delivered.

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

19 (4) If a person fails to pay or deliver to the administrator by  
20 the due date any amounts or property due under an assessment issued  
21 by the administrator to the person, there is assessed an additional  
22 penalty of five percent of the amount unpaid and the value of any  
23 property not delivered.

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

31 (6) Penalties under subsections (2) through (4) of this section  
32 may be waived or canceled only if the administrator finds that the  
33 failure to pay or deliver within the time prescribed by this chapter  
34 was the result of circumstances beyond the person's control  
35 sufficient for waiver or cancellation of penalties under RCW  
36 82.32.105.

37 (7) If a person willfully fails to file a report or to provide  
38 written notice to apparent owners as required under this chapter, the  
39 administrator may assess a civil penalty of \$100 for each day the

1 report is withheld or the notice is not sent, but not more than  
2 \$5,000.

3 (8) If a holder, having filed a report, failed to file the report  
4 electronically as required by RCW 63.29.170, or failed to pay  
5 electronically any amounts due under the report as required by RCW  
6 63.29.190, the administrator must assess a penalty equal to five  
7 percent of the amount payable or deliverable under the report, unless  
8 the administrator grants the taxpayer relief from the electronic  
9 filing and payment requirements. Total penalties assessed under this  
10 subsection may not exceed five percent of the amount payable and  
11 value of property deliverable under the report.

12 (9) If a holder enters into a contract or other arrangement for  
13 the purpose of evading an obligation under this chapter or otherwise  
14 willfully fails to perform a duty imposed on the holder under this  
15 chapter, the administrator may require the holder to pay the  
16 administrator, in addition to interest as provided in this section, a  
17 civil penalty of \$1,000 for each day the obligation is evaded or the  
18 duty not performed, up to a cumulative maximum amount of \$25,000,  
19 plus 25 percent of the amount or value of property that should have  
20 been but was not reported, paid, or delivered as a result of the  
21 evasion or failure to perform.

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

23 NEW SECTION. **Sec. 1014.** The administrator may waive, in whole  
24 and in part, interest under section 1013 of this act and penalties  
25 under section 1013 (5) and (9) of this act.

26 **PART 11**  
27 **DETERMINATION OF LIABILITY—PUTATIVE HOLDER REMEDIES**

28 NEW SECTION. **Sec. 1101.** INFORMAL CONFERENCE. (1) Not later than  
29 30 days after receipt of a notice under section 1012 of this act, the  
30 putative holder may request an informal conference with the  
31 administrator to review the determination. Except as otherwise  
32 provided in this section, the administrator may designate an employee  
33 to act on behalf of the administrator.

34 (2) If a putative holder makes a timely request under subsection  
35 (1) of this section for an informal conference:

36 (a) Not later than 20 days after the date of the request, the  
37 administrator shall set the time and place of the conference;



1 (b) The administrator shall give the putative holder notice in a  
2 record of the time and place of the conference;

3 (c) The conference may be held in person, by telephone, or by  
4 electronic means, as determined by the administrator;

5 (d) The request tolls the 90-day period under sections 1103 and  
6 1104 of this act until notice of a decision under (g) of this  
7 subsection has been given to the putative holder or the putative  
8 holder withdraws the request for the conference;

9 (e) The conference may be postponed, adjourned, and reconvened as  
10 the administrator determines appropriate;

11 (f) The administrator or administrator's designee with the  
12 approval of the administrator may modify a determination made under  
13 section 1012 of this act or withdraw it; and

14 (g) The administrator shall issue a decision in a record and  
15 provide a copy of the record to the putative holder and examiner not  
16 later than 20 days after the conference ends.

17 (3) A conference under subsection (2) of this section is not an  
18 administrative remedy and is not a contested case subject to chapter  
19 34.05 RCW. An oath is not required and rules of evidence do not apply  
20 in the conference.

21 (4) At a conference under subsection (2) of this section, the  
22 putative holder must be given an opportunity to confer informally  
23 with the administrator and the person that examined the records of  
24 the putative holder to:

25 (a) Discuss the determination made under section 1012 of this  
26 act; and

27 (b) Present any issue concerning the validity of the  
28 determination.

29 (5) If the administrator fails to act within the period  
30 prescribed in subsection (2)(a) or (g) of this section, the failure  
31 does not affect a right of the administrator, except that interest  
32 does not accrue on the amount for which the putative holder was  
33 determined to be liable under section 1012 of this act during the  
34 period in which the administrator failed to act until the earlier of:

35 (a) The date under section 1103 of this act the putative holder  
36 initiates administrative review or files an action under section 1104  
37 of this act; or

38 (b) Ninety days after the putative holder received notice of the  
39 administrator's determination under section 1012 of this act if no

1 review was initiated under section 1103 of this act and no action was  
2 filed under section 1104 of this act.

3 (6) The administrator may hold an informal conference with a  
4 putative holder about a determination under section 1012 of this act  
5 without a request at any time before the putative holder initiates  
6 administrative review under section 1103 of this act or files an  
7 action under section 1104 of this act.

8 (7) Interest and penalties under section 1013 of this act  
9 continue to accrue on property not reported, paid, or delivered as  
10 required by this chapter after the initiation, and during the  
11 pendency, of an informal conference under this section.

12 NEW SECTION. **Sec. 1102.** REVIEW OF ADMINISTRATOR'S  
13 DETERMINATION. A putative holder may seek relief from a determination  
14 under section 1012 of this act by:

- 15 (1) Administrative review under section 1103 of this act; or  
16 (2) Judicial review under section 1104 of this act.

17 NEW SECTION. **Sec. 1103.** ADMINISTRATIVE REVIEW. Any person  
18 having been issued a determination by the administrator, or a denial  
19 of an application for a refund or return of property, under the  
20 provisions of this chapter is entitled to a review by the  
21 administrator conducted in accordance with the provisions of RCW  
22 34.05.410 through 34.05.494, subject to judicial review under RCW  
23 34.05.510 through 34.05.598. A petition for review under this section  
24 is timely if received in writing by the administrator on or before 90  
25 days after the holder receives the determination from the  
26 administrator pursuant to section 1012 of this act or from any  
27 extension of the due date granted by the administrator, or in the  
28 case of a refund or return application, 30 days after the  
29 administrator rejects the application in writing, regardless of any  
30 subsequent action by the administrator to reconsider its initial  
31 decision. The period for filing a petition for review under this  
32 section may be extended as provided in a rule adopted by the  
33 administrator under chapter 34.05 RCW or upon a written agreement  
34 signed by the holder and the administrator.

35 NEW SECTION. **Sec. 1104.** JUDICIAL REMEDY. (1) Any person who has  
36 paid or delivered property to the administrator under the provisions  
37 of this chapter, except one who has failed to keep and preserve

1 records as required in this chapter, feeling aggrieved by such  
2 payment or delivery, may appeal to the Thurston county superior  
3 court. The person filing a notice of appeal under this section is  
4 deemed the plaintiff, and the administrator, the defendant.

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

9 (3) (a) In an appeal filed under this section, the plaintiff must  
10 set forth the amount or property, if any, payable or deliverable on  
11 the report or assessment that the plaintiff is contesting, which the  
12 holder concedes to be the correct amount payable or deliverable, and  
13 the reason why the amount payable or deliverable should be reduced or  
14 abated.

15 (b) The appeal is perfected only by serving a copy of the notice  
16 of appeal upon the administrator and filing the original with proof  
17 of service with the clerk of the superior court of Thurston county,  
18 within the time specified in subsection (2) of this section.

19 (4) (a) The trial in the superior court on appeal must be de novo  
20 and without the necessity of any pleadings other than the notice of  
21 appeal. At trial, the burden is on the plaintiff to (i) prove that  
22 the amount paid by that person is incorrect, either in whole or in  
23 part, or the property in question was delivered in error to the  
24 administrator, and (ii) establish the correct amount payable or the  
25 property required to be delivered to the administrator, if any.

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

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

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

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

37 (b) Petition the administrator for a refund, return of property,  
38 or a review of its action as authorized in section 1103 of this act.

39 (6) No court action or proceeding of any kind may be maintained  
40 by the plaintiff to recover any amount paid, delivered, or reported

1 to the administrator under this chapter, except as provided in this  
2 section or as may be available to the plaintiff under RCW 34.05.510  
3 through 34.05.598.

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

7 **PART 12**  
8 **ENFORCEMENT BY ADMINISTRATOR**

9 NEW SECTION. **Sec. 1201.** JUDICIAL ACTION TO ENFORCE LIABILITY.

10 (1) If a determination under section 1012 of this act becomes final  
11 and is not subject to administrative or judicial review, the  
12 administrator may commence an action in superior court or in an  
13 appropriate court of another state to enforce the determination and  
14 secure payment or delivery of past due, unpaid, or undelivered  
15 property. The action must be brought not later than one year after  
16 the determination becomes final.

17 (2) In an action under subsection (1) of this section, if no  
18 court in this state has jurisdiction over the defendant, the  
19 administrator may commence an action in any court having jurisdiction  
20 over the defendant.

21 NEW SECTION. **Sec. 1202.** INTERSTATE AND INTERNATIONAL AGREEMENT—  
22 COOPERATION. (1) Subject to subsection (2) of this section, the  
23 administrator may:

24 (a) Exchange information with another state or foreign country  
25 relating to property presumed abandoned or relating to the possible  
26 existence of property presumed abandoned; and

27 (b) Authorize in a record another state or foreign country or a  
28 person acting on behalf of the other state or country to examine its  
29 records of a putative holder as provided in sections 1001 through  
30 1013 of this act.

31 (2) An exchange or examination under subsection (1) of this  
32 section may be done only if the state or foreign country has  
33 confidentiality and security requirements substantially equivalent to  
34 those in sections 1401 through 1408 of this act or agrees in a record  
35 to be bound by this state's confidentiality and security  
36 requirements.

1 NEW SECTION. **Sec. 1203.** ACTION INVOLVING ANOTHER STATE OR  
2 FOREIGN COUNTRY. (1) The administrator may join another state or  
3 foreign country to examine and seek enforcement of this chapter  
4 against a putative holder.

5 (2) On request of another state or foreign country, the attorney  
6 general may commence an action on behalf of the other state or  
7 country to enforce, in this state, the law of the other state or  
8 country against a putative holder subject to a claim by the other  
9 state or country, if the other state or country agrees to pay costs  
10 incurred by the attorney general in the action.

11 (3) The administrator may request the official authorized to  
12 enforce the unclaimed property law of another state or foreign  
13 country to commence an action to recover property in the other state  
14 or country on behalf of the administrator. This state shall pay the  
15 costs, including reasonable attorneys' fees and expenses, incurred by  
16 the other state or foreign country in an action under this  
17 subsection.

18 (4) The administrator may pursue an action on behalf of this  
19 state to recover property subject to this chapter but delivered to  
20 the custody of another state if the administrator believes the  
21 property is subject to the custody of the administrator.

22 (5) The administrator may retain an attorney in this state,  
23 another state, or a foreign country to commence an action to recover  
24 property on behalf of the administrator and may agree to pay  
25 attorneys' fees based in whole or in part on a fixed fee, hourly fee,  
26 or a percentage of the amount or value of property recovered in the  
27 action.

28 (6) Expenses incurred by this state in an action under this  
29 section may be paid from property received under this chapter or the  
30 net proceeds of the property. Expenses paid to recover property may  
31 not be deducted from the amount that is subject to a claim under this  
32 chapter by the owner.

### 33 **PART 13**

#### 34 **AGREEMENT TO LOCATE PROPERTY OF APPARENT OWNER HELD BY ADMINISTRATOR**

35 NEW SECTION. **Sec. 1301.** WHEN AGREEMENT TO LOCATE PROPERTY  
36 ENFORCEABLE. An agreement by an apparent owner and another person,  
37 the primary purpose of which is to locate, deliver, recover, or

1 assist in the location, delivery, or recovery of property held by the  
2 administrator, is enforceable only if the agreement:

3 (1) Is in a record that clearly states the nature of the property  
4 and the services to be provided;

5 (2) Is signed by or on behalf of the apparent owner; and

6 (3) States the amount or value of the property reasonably  
7 expected to be recovered, computed before and after a fee or other  
8 compensation to be paid to the person has been deducted.

9 NEW SECTION. **Sec. 1302.** WHEN AGREEMENT TO LOCATE PROPERTY VOID.

10 (1) Subject to subsection (2) of this section, an agreement under  
11 section 1301 of this act is void if it is entered into during the  
12 period beginning on the date the property was paid or delivered by a  
13 holder to the administrator and ending 24 months after the payment or  
14 delivery.

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

21 (3) An agreement under subsection (1) of this section which  
22 provides for compensation in an amount that is unconscionable is  
23 unenforceable except by the apparent owner. An apparent owner that  
24 believes the compensation the apparent owner has agreed to pay is  
25 unconscionable or the administrator, acting on behalf of an apparent  
26 owner, or both, may file an action in superior court to reduce the  
27 compensation to the maximum amount that is not unconscionable.

28 (4) An apparent owner or the administrator may assert that an  
29 agreement described in this section is void on a ground other than it  
30 provides for payment of unconscionable compensation.

31 (5) This section does not apply to an apparent owner's agreement  
32 with an attorney to pursue a claim for recovery of specifically  
33 identified property held by the administrator or to contest the  
34 administrator's denial of a claim for recovery of the property.

35 NEW SECTION. **Sec. 1303.** RIGHT OF AGENT OF APPARENT OWNER TO  
36 RECOVER PROPERTY HELD BY ADMINISTRATOR. (1) An apparent owner that  
37 contracts with another person to locate, deliver, recover, or assist  
38 in the location, delivery, or recovery of property of the apparent

1 owner which is held by the administrator may designate the person as  
2 the agent of the apparent owner. The designation must be in a record  
3 signed by the apparent owner.

4 (2) The administrator shall give the agent of the apparent owner  
5 all information concerning the property which the apparent owner is  
6 entitled to receive, including information that otherwise is  
7 confidential information under section 1402 of this act.

8 (3) If authorized by the apparent owner, the agent of the  
9 apparent owner may bring an action against the administrator on  
10 behalf of and in the name of the apparent owner.

## 11 PART 14

### 12 CONFIDENTIALITY AND SECURITY OF INFORMATION

13 NEW SECTION. **Sec. 1401.** DEFINITIONS—APPLICABILITY. (1) In this  
14 section and sections 1402 through 1408 of this act, "personal  
15 information" means:

16 (a) Information that identifies or reasonably can be used to  
17 identify an individual, such as first and last name in combination  
18 with the individual's:

19 (i) Social security number or other government-issued number or  
20 identifier;

21 (ii) Date of birth;

22 (iii) Home or physical address;

23 (iv) Email address or other online contact information or  
24 internet provider address;

25 (v) Financial account number or credit or debit card number;

26 (vi) Biometric data, health or medical data, or insurance  
27 information; or

28 (vii) Passwords or other credentials that permit access to an  
29 online or other account;

30 (b) Personally identifiable financial or insurance information,  
31 including nonpublic personal information defined by applicable  
32 federal law; and

33 (c) Any combination of data that, if accessed, disclosed,  
34 modified, or destroyed without authorization of the owner of the data  
35 or if lost or misused, would require notice or reporting under  
36 chapter 19.255 RCW and federal privacy and data security law, whether  
37 or not the administrator or the administrator's agent is subject to  
38 the law.

1 (2) A provision of this section or sections 1402 through 1408 of  
2 this act that applies to the administrator or the administrator's  
3 records applies to an administrator's agent.

4 NEW SECTION. **Sec. 1402.** CONFIDENTIAL INFORMATION. (1) Except as  
5 otherwise provided in this chapter, the following are confidential  
6 and exempt from public inspection or disclosure:

7 (a) Reports and records of a holder in the possession of the  
8 administrator or the administrator's agent; and

9 (b) Personal information and other information derived or  
10 otherwise obtained by or communicated to the administrator or the  
11 administrator's agent from an examination under this chapter of the  
12 records of a person.

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

17 NEW SECTION. **Sec. 1403.** WHEN CONFIDENTIAL INFORMATION MAY BE  
18 DISCLOSED. (1) When reasonably necessary to enforce or implement this  
19 chapter, the administrator may disclose confidential information  
20 concerning property held by the administrator or the administrator's  
21 agent only to:

22 (a) An apparent owner or the apparent owner's personal  
23 representative, attorney, other legal representative, relative, or  
24 agent designated under section 1303 of this act to have the  
25 information;

26 (b) The personal representative, other legal representative,  
27 relative of a deceased apparent owner, agent designated under section  
28 1303 of this act by the deceased apparent owner, or a person entitled  
29 to inherit from the deceased apparent owner;

30 (c) Another department or agency of this state or the United  
31 States;

32 (d) The person that administers the unclaimed property law of  
33 another state, if the other state accords substantially reciprocal  
34 privileges to the administrator of this state if the other state is  
35 required to maintain the confidentiality and security of information  
36 obtained in a manner substantially equivalent to this section and  
37 sections 1401, 1402, and 1404 through 1408 of this act; or



1 (e) A person subject to an examination as required by section  
2 1004(6) of this act.

3 (2) Except as otherwise provided in section 1402(1) of this act,  
4 the administrator shall include on the website or in the database  
5 required by section 503(3)(b) of this act the name of each apparent  
6 owner of property held by the administrator. The administrator may  
7 include in published notices, printed publications,  
8 telecommunications, the internet, or other media and on the website  
9 or in the database additional information concerning the apparent  
10 owner's property if the administrator believes the information will  
11 assist in identifying and returning property to the owner and does  
12 not disclose personal information except the home or physical address  
13 of an apparent owner.

14 (3) The administrator and the administrator's agent may not use  
15 confidential information provided to them or in their possession  
16 except as expressly authorized by this chapter or required by law  
17 other than this chapter.

18 NEW SECTION. **Sec. 1404.** CONFIDENTIALITY AGREEMENT. A person to  
19 be examined under section 1002 of this act may require, as a  
20 condition of disclosure of the records of the person to be examined,  
21 that each person having access to the records disclosed in the  
22 examination execute and deliver to the person to be examined a  
23 confidentiality agreement that:

24 (1) Is in a form that is reasonably satisfactory to the  
25 administrator; and

26 (2) Requires the person having access to the records to comply  
27 with the provisions of this section and sections 1401 through 1403  
28 and 1405 through 1408 of this act applicable to the person.

29 NEW SECTION. **Sec. 1405.** NO CONFIDENTIAL INFORMATION IN NOTICE.  
30 Except as otherwise provided in sections 501 and 502 of this act, a  
31 holder is not required under this chapter to include confidential  
32 information in a notice the holder is required to provide to an  
33 apparent owner under this chapter.

34 NEW SECTION. **Sec. 1406.** SECURITY OF INFORMATION. (1) If a  
35 holder is required to include confidential information in a report to  
36 the administrator, the information must be provided by a secure  
37 means.

1 (2) If confidential information in a record is provided to and  
2 maintained by the administrator or administrator's agent as required  
3 by this chapter, the administrator or agent shall:

4 (a) Implement administrative, technical, and physical safeguards  
5 to protect the security, confidentiality, and integrity of the  
6 information required by chapter 19.255 RCW and federal privacy and  
7 data security law whether or not the administrator or the  
8 administrator's agent is subject to the law;

9 (b) Protect against reasonably anticipated threats or hazards to  
10 the security, confidentiality, or integrity of the information; and

11 (c) Protect against unauthorized access to or use of the  
12 information which could result in substantial harm or inconvenience  
13 to a holder or the holder's customers, including insureds,  
14 annuitants, and policy or contract owners and their beneficiaries.

15 (3) The administrator:

16 (a) After notice and comment, shall adopt and implement a  
17 security plan that identifies and assesses reasonably foreseeable  
18 internal and external risks to confidential information in the  
19 administrator's possession and seeks to mitigate the risks; and

20 (b) Shall ensure that an administrator's agent adopts and  
21 implements a similar plan with respect to confidential information in  
22 the agent's possession.

23 (4) The administrator and the administrator's agent shall educate  
24 and train their employees regarding the plan adopted under subsection  
25 (3) of this section.

26 (5) The administrator and the administrator's agent shall in a  
27 secure manner return or destroy all confidential information no  
28 longer reasonably needed under this chapter.

29 NEW SECTION. **Sec. 1407.** SECURITY BREACH. (1) Except to the  
30 extent prohibited by law other than this chapter, the administrator  
31 or administrator's agent shall notify a holder as soon as practicable  
32 of:

33 (a) A suspected loss, misuse, or unauthorized access, disclosure,  
34 modification, or destruction of confidential information obtained  
35 from the holder in the possession of the administrator or an  
36 administrator's agent; and

37 (b) Any interference with operations in any system hosting or  
38 housing confidential information which:

1 (i) Compromises the security, confidentiality, or integrity of  
2 the information; or

3 (ii) Creates a substantial risk of identity fraud or theft.

4 (2) Except as necessary to inform an insurer, attorney,  
5 investigator, or others as required by law, the administrator and an  
6 administrator's agent may not disclose, without the express consent  
7 in a record of the holder, an event described in subsection (1) of  
8 this section to a person whose confidential information was supplied  
9 by the holder.

10 (3) If an event described in subsection (1) of this section  
11 occurs, the administrator and the administrator's agent shall:

12 (a) Take action necessary for the holder to understand and  
13 minimize the effect of the event and determine its scope; and

14 (b) Cooperate with the holder with respect to:

15 (i) Any notification required by law concerning a data or other  
16 security breach; and

17 (ii) A regulatory inquiry, litigation, or similar action.

18 NEW SECTION. **Sec. 1408.** INDEMNIFICATION FOR BREACH. (1) If a  
19 claim is made or action commenced arising out of an event described  
20 in section 1407(1) of this act relating to confidential information  
21 possessed by the administrator, this state shall indemnify, defend,  
22 and hold harmless a holder and the holder's affiliates, officers,  
23 directors, employees, and agents as to:

24 (a) Any claim or action; and

25 (b) A liability, obligation, loss, damage, cost, fee, penalty,  
26 fine, settlement, charge, or other expense, including reasonable  
27 attorneys' fees and costs, established by the claim or action.

28 (2) If a claim is made or action commenced arising out of an  
29 event described in section 1407(1) of this act relating to  
30 confidential information possessed by an administrator's agent, the  
31 administrator's agent shall indemnify, defend, and hold harmless a  
32 holder and the holder's affiliates, officers, directors, employees,  
33 and agents as to:

34 (a) Any claim or action; and

35 (b) A liability, obligation, loss, damage, cost, fee, penalty,  
36 fine, settlement, charge, or other expense, including reasonable  
37 attorneys' fees and costs, established by the claim or action.

38 (3) The administrator shall require an administrator's agent that  
39 will receive confidential information required under this chapter to

1 maintain adequate insurance for indemnification obligations of the  
2 administrator's agent under subsection (2) of this section. The agent  
3 required to maintain the insurance shall provide evidence of the  
4 insurance to:

5 (a) The administrator not less frequently than annually; and

6 (b) The holder on commencement of an examination and annually  
7 thereafter until all confidential information is returned or  
8 destroyed under section 1406(5) of this act.

9 **PART 15**

10 **MISCELLANEOUS PROVISIONS**

11 NEW SECTION. **Sec. 1501.** UNIFORMITY OF APPLICATION AND  
12 CONSTRUCTION. In applying and construing this uniform chapter and  
13 this act, consideration must be given to the need to promote  
14 uniformity of the law with respect to its subject matter among states  
15 that enact it.

16 NEW SECTION. **Sec. 1502.** RELATION TO ELECTRONIC SIGNATURES IN  
17 GLOBAL AND NATIONAL COMMERCE ACT. This chapter modifies, limits, or  
18 supersedes the electronic signatures in global and national commerce  
19 act, 15 U.S.C. Sec. 7001 et seq., but does not modify, limit, or  
20 supersede section 101(c) of that act, 15 U.S.C. Sec. 7001(c), or  
21 authorize electronic delivery of any of the notices described in  
22 section 103(b) of that act, 15 U.S.C. Sec. 7003(b).

23 NEW SECTION. **Sec. 1503.** TRANSITIONAL PROVISION. (1) An initial  
24 report filed under this chapter for property that was not required to  
25 be reported before the effective date of this section, but that is  
26 required to be reported under this chapter, must include all items of  
27 property that would have been presumed abandoned during the six-year  
28 period preceding the effective date of this section as if this  
29 chapter had been in effect during that period.

30 (2) This chapter does not relieve a holder of a duty that arose  
31 before the effective date of this section to report, pay, or deliver  
32 property. Subject to section 610 (2) and (3) of this act, a holder  
33 that did not comply with the law governing unclaimed property before  
34 the effective date of this section is subject to applicable  
35 provisions for enforcement and penalties in effect before the  
36 effective date of this section.

1        NEW SECTION.    **Sec. 1504.**    SEVERABILITY. If any provision of this  
2 act or its application to any person or circumstance is held invalid,  
3 the remainder of the act or the application of the provision to other  
4 persons or circumstances is not affected.

5        NEW SECTION.    **Sec. 1505.**    REPEALS. The following acts or parts of  
6 acts are each repealed:

7            (1) RCW 63.29.010 (Definitions and use of terms) and 2012 c 117 s  
8 177, 2005 c 285 s 1, 2004 c 168 s 13, & 1983 c 179 s 1;

9            (2) RCW 63.29.020 (Property presumed abandoned—General rule—  
10 Exceptions) and 2015 3rd sp.s. c 6 s 2101, 2011 c 116 s 1, & 2010 c  
11 29 s 1;

12            (3) RCW 63.29.030 (General rules for taking custody of intangible  
13 unclaimed property) and 1983 c 179 s 3;

14            (4) RCW 63.29.040 (Travelers checks and money orders) and 1983 c  
15 179 s 4;

16            (5) RCW 63.29.050 (Checks, drafts, and similar instruments issued  
17 or certified by banking and financial organizations) and 2003 1st  
18 sp.s. c 13 s 2 & 1983 c 179 s 5;

19            (6) RCW 63.29.060 (Bank deposits and funds in financial  
20 organizations) and 2003 1st sp.s. c 13 s 3 & 1983 c 179 s 6;

21            (7) RCW 63.29.070 (Funds owing under life insurance policies) and  
22 2012 c 117 s 178, 2003 1st sp.s. c 13 s 4, & 1983 c 179 s 7;

23            (8) RCW 63.29.080 (Deposits held by utilities) and 1983 c 179 s  
24 8;

25            (9) RCW 63.29.090 (Refunds held by business associations) and  
26 1983 c 179 s 9;

27            (10) RCW 63.29.100 (Stock and other intangible interests in  
28 business associations) and 2003 1st sp.s. c 13 s 5, 1996 c 45 s 1, &  
29 1983 c 179 s 10;

30            (11) RCW 63.29.110 (Property of business associations held in  
31 course of dissolution) and 1983 c 179 s 11;

32            (12) RCW 63.29.120 (Property held by agents and fiduciaries) and  
33 2012 c 117 s 179, 2003 1st sp.s. c 13 s 6, & 1983 c 179 s 12;

34            (13) RCW 63.29.130 (Property held by courts and public agencies—  
35 When abandoned—Overpayments) and 2007 c 183 s 1, 1993 c 498 s 2, &  
36 1983 c 179 s 13;

37            (14) RCW 63.29.133 (Property held by landlord) and 1992 c 38 s 9;

1 (15) RCW 63.29.135 (Abandoned intangible property held by local  
2 government) and 1990 2nd ex.s. c 1 s 301;

3 (16) RCW 63.29.140 (Gift certificates and credit memos) and 2015  
4 3rd sp.s. c 6 s 2102, 2004 c 168 s 15, 2003 1st sp.s. c 13 s 7, &  
5 1983 c 179 s 14;

6 (17) RCW 63.29.150 (Wages) and 1983 c 179 s 15;

7 (18) RCW 63.29.160 (Contents of safe deposit box or other  
8 safekeeping repository) and 1983 c 179 s 16;

9 (19) RCW 63.29.165 (Property in self-storage facility) and 1993 c  
10 498 s 4 & 1988 c 240 s 21;

11 (20) RCW 63.29.170 (Report of abandoned property) and 2015 3rd  
12 sp.s. c 6 s 2103, 2004 c 168 s 16, 2003 c 237 s 1, 1996 c 45 s 2,  
13 1993 c 498 s 7, & 1983 c 179 s 17;

14 (21) RCW 63.29.180 (Notice and publication of information about  
15 unclaimed property) and 2015 3rd sp.s. c 6 s 2104, 2005 c 367 s 2,  
16 2003 c 237 s 2, 1993 c 498 s 9, 1986 c 84 s 1, & 1983 c 179 s 18;

17 (22) RCW 63.29.190 (Payment or delivery of abandoned property)  
18 and 2015 3rd sp.s. c 6 s 2105;

19 (23) RCW 63.29.192 (Penalty and interest paid in excess—Refunds—  
20 Returns) and 2015 3rd sp.s. c 6 s 2110;

21 (24) RCW 63.29.193 (Petition for review—Denied application for  
22 refund or return) and 2015 3rd sp.s. c 6 s 2111;

23 (25) RCW 63.29.194 (Appeal of payment or delivered property) and  
24 2015 3rd sp.s. c 6 s 2112;

25 (26) RCW 63.29.195 (Agreement—Established between a holder and  
26 the department) and 2015 3rd sp.s. c 6 s 2113;

27 (27) RCW 63.29.200 (Custody by state—Holder relieved from  
28 liability—Reimbursement of holder paying claim—Reclaiming for owner  
29 —Defense of holder—Payment of safe deposit box or repository  
30 charges) and 2012 c 117 s 180 & 1983 c 179 s 20;

31 (28) RCW 63.29.210 (Crediting of dividends, interest, or  
32 increments to owner's account) and 1983 c 179 s 21;

33 (29) RCW 63.29.220 (Public sale of abandoned property) and 2011  
34 2nd sp.s. c 8 s 1, 2005 c 367 s 4, 1996 c 45 s 3, 1993 c 498 s 10, &  
35 1983 c 179 s 22;

36 (30) RCW 63.29.230 (Deposit of funds) and 1983 c 179 s 23;

37 (31) RCW 63.29.240 (Filing of claim with department) and 2011 2nd  
38 sp.s. c 8 s 2 & 1983 c 179 s 24;

- 1 (32) RCW 63.29.250 (Claim of another state to recover property—  
2 Procedure) and 1983 c 179 s 25;
- 3 (33) RCW 63.29.260 (Action to establish claim) and 1983 c 179 s  
4 26;
- 5 (34) RCW 63.29.270 (Election to take payment or delivery) and  
6 1983 c 179 s 27;
- 7 (35) RCW 63.29.280 (Destruction or disposition of property having  
8 insubstantial commercial value—Immunity from liability) and 2005 c  
9 367 s 5 & 1983 c 179 s 28;
- 10 (36) RCW 63.29.290 (Periods of limitation) and 2015 3rd sp.s. c 6  
11 s 2106 & 1983 c 179 s 29;
- 12 (37) RCW 63.29.300 (Requests for reports and examination of  
13 records) and 2015 3rd sp.s. c 6 s 2107 & 1983 c 179 s 30;
- 14 (38) RCW 63.29.310 (Retention of records) and 1983 c 179 s 31;
- 15 (39) RCW 63.29.320 (Enforcement) and 1983 c 179 s 32;
- 16 (40) RCW 63.29.330 (Interstate agreements and cooperation—Joint  
17 and reciprocal actions with other states) and 1983 c 179 s 33;
- 18 (41) RCW 63.29.340 (Interest and penalties) and 2015 3rd sp.s. c  
19 6 s 2108 & 2011 c 96 s 45;
- 20 (42) RCW 63.29.350 (Penalty for excessive fee for locating  
21 abandoned property—Consumer protection act application) and 2012 c  
22 117 s 181, 2010 c 29 s 2, & 1983 c 179 s 35;
- 23 (43) RCW 63.29.360 (Foreign transactions) and 1983 c 179 s 36;
- 24 (44) RCW 63.29.370 (Rules) and 1983 c 179 s 38;
- 25 (45) RCW 63.29.380 (Information and records confidential) and  
26 1983 c 179 s 39;
- 27 (46) RCW 63.29.900 (Effect of new provisions—Clarification of  
28 application) and 1983 c 179 s 37;
- 29 (47) RCW 63.29.902 (Uniformity of application and construction)  
30 and 1983 c 179 s 41;
- 31 (48) RCW 63.29.903 (Short title) and 1983 c 179 s 42;
- 32 (49) RCW 63.29.905 (Effective date—1983 c 179) and 1983 c 179 s  
33 47; and
- 34 (50) RCW 63.29.906 (Effective date—1996 c 45) and 1996 c 45 s 5.

35 NEW SECTION. **Sec. 1506.** CODIFICATION. Sections 101 through 1503  
36 and 1507 of this act constitute a new chapter in Title 63 RCW.

1        NEW SECTION.    **Sec. 1507.**    EFFECTIVE DATE. This act takes effect  
2    January 1, 2023.

3        NEW SECTION.    **Sec. 1508.**    SEVERABILITY. If any part of this act  
4    is found to be in conflict with federal requirements that are a  
5    prescribed condition to the allocation of federal funds to the state,  
6    the conflicting part of this act is inoperative solely to the extent  
7    of the conflict and with respect to the agencies directly affected,  
8    and this finding does not affect the operation of the remainder of  
9    this act in its application to the agencies concerned. Rules adopted  
10   under this act must meet federal requirements that are a necessary  
11   condition to the receipt of federal funds by the state.

Passed by the Senate March 10, 2022.

Passed by the House March 9, 2022.

Approved by the Governor March 30, 2022.

Filed in Office of Secretary of State March 31, 2022.

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