



General Assembly

January Session, 2025

Raised Bill No. 1434

LCO No. 5223



Referred to Committee on GOVERNMENT ADMINISTRATION
AND ELECTIONS

Introduced by:
(GAE)

***AN ACT IMPLEMENTING THE TREASURER'S RECOMMENDATIONS
FOR REVISIONS CONCERNING UNCLAIMED PROPERTY.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Section 3-56a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2025*):

3 As used in this part and section 2 of this act, unless the context
4 otherwise requires:

5 (1) "Apparent owner" means the person whose name appears on the
6 records of the holder as the person entitled to the property held, issued
7 or owing by the holder;

8 (2) "Banking organization" means any state bank and trust company,
9 national banking association or savings bank engaged in business in this
10 state;

11 (3) "Business association" means a corporation, joint stock company,
12 partnership, unincorporated association, joint venture, limited liability

13 company, business trust, trust company, safe deposit company,
14 financial organization, insurance company, person engaged in the
15 business of operating or controlling a mutual fund, utility or other
16 business entity consisting of one or more persons, whether or not for
17 profit;

18 (4) "Financial organization" means any savings and loan association,
19 credit union or investment company;

20 (5) "Funeral service contract" has the same meaning as provided in
21 section 42-200;

22 [(5)] (6) "Gift certificate" means a record evidencing a promise, made
23 for consideration, by the seller or issuer of the record that goods or
24 services will be provided to the owner of the record to the value shown
25 in the record and includes, but is not limited to, a record that contains a
26 microprocessor chip, magnetic stripe or other means for the storage of
27 information that is prefunded and for which the value is decremented
28 upon each use, a gift card, an electronic gift card, stored-value card or
29 certificate, a store card, or a similar record or card, but "gift certificate"
30 does not include prepaid calling cards regulated under section 42-370,
31 prepaid commercial mobile radio services, as defined in 47 CFR 20.3 or
32 general-use prepaid cards, as defined in section 42-460a;

33 [(6)] (7) "Holder" means any person in possession of property subject
34 to this part which belongs to another, or who is trustee in case of a trust,
35 or who is indebted to another on an obligation subject to this part;

36 [(7)] (8) "Insurance company" means an association, corporation or
37 fraternal or mutual benefit organization, whether or not for profit,
38 engaged in the business of providing life endowments, annuities or
39 insurance, including accident, burial, casualty, credit life, contract
40 performance, dental, disability, fidelity, fire, health, hospitalization,
41 illness, life, malpractice, marine, mortgage, surety, wage protection and
42 workers' compensation insurance;

43 [(8)] (9) "Last-known address" means [a description of the location of
44 the apparent owner sufficient for the purpose of delivery of mail] any
45 description, code or other indication of the location of the apparent
46 owner that identifies the state, even if such description, code or
47 indication is insufficient for the purpose of the delivery of first-class
48 United States mail to the apparent owner;

49 [(9)] (10) "Mineral" means gas; oil; other gaseous, liquid, and solid
50 hydrocarbons; oil shale; cement material; sand and gravel; road
51 material; building stone; chemical raw material; gemstone; fissionable
52 and nonfissionable ores; colloidal and other clay; steam and other
53 geothermal resource; or any other substance defined as a mineral by the
54 law of this state;

55 [(10)] (11) "Mineral proceeds" means amounts payable for the
56 extraction, production or sale of minerals, or, upon the abandonment of
57 those payments, all payments that become payable thereafter, and
58 "mineral proceeds" includes amounts payable: (A) For the acquisition
59 and retention of a mineral lease, including bonuses, royalties,
60 compensatory royalties, shut-in royalties, minimum royalties and delay
61 rentals; (B) for the extraction, production or sale of minerals, including
62 net revenue interests, royalties, overriding royalties, extraction
63 payments and production payments; and (C) under an agreement or
64 option, including a joint operating agreement, unit agreement, pooling
65 agreement and farm-out agreement;

66 [(11)] (12) "Owner" means a depositor in case of a deposit, a
67 beneficiary in case of a trust, a creditor, claimant or payee in case of other
68 choses in action, or any person having a legal or equitable interest in
69 property subject to this part, or such person's legal representative;

70 [(12)] (13) "Person" means any individual, business association,
71 estate, trust, government, governmental subdivision, agency or
72 instrumentality, or any other legal or commercial entity;

73 [(13)] (14) "Property" means realty or personalty, tangible or

74 intangible, and includes, but is not limited to, virtual currency;

75 [(14)] (15) "Record" means information that is inscribed on a tangible
76 medium or that is stored in an electronic or other medium and is
77 retrievable in perceivable form;

78 [(15)] (16) "Treasurer" means the Treasurer of the state of Connecticut;

79 [(16)] (17) "Utility" means a person who owns or operates for public
80 use any plant, equipment, real property, franchise or license for the
81 transmission of communications or the production, storage,
82 transmission, sale, delivery or furnishing of electricity, water, steam or
83 gas; and

84 [(17)] (18) "Virtual currency" has the same meaning as provided in
85 section 36a-596.

86 Sec. 2. (NEW) (*Effective July 1, 2025*) (a) Any property held pursuant
87 to a funeral service contract that is in effect on or after July 1, 2025, for
88 the purposes of part III of chapter 32 of the general statutes, shall be
89 considered payable or distributable on the earliest of: (1) One year after
90 the funeral service establishment received notification of the death of
91 the beneficiary and has not provided the funeral services contracted for
92 pursuant to such funeral service contract; (2) the date the beneficiary
93 would have attained the age of one hundred ten years; or (3) fifty years
94 after the funeral service contract was executed.

95 (b) Any property held pursuant to a funeral service contract shall be
96 presumed abandoned unless the beneficiary or purchaser has indicated
97 an interest in such property not later than one year after such property
98 becomes payable or distributable pursuant to subsection (a) of this
99 section.

100 (c) Not later than March first of each year, the holder shall obtain from
101 the funeral service establishment a list of all properties held pursuant to
102 a funeral service contract that became payable or distributable pursuant

103 to subsection (a) of this section during the preceding calendar year.

104 (d) For purposes of part III of chapter 32 of the general statutes, the
105 escrow agent, insurance company or any other person holding or
106 maintaining such property shall be deemed the holder, and the
107 purchaser shall be deemed the owner.

108 Sec. 3. Section 3-65a of the general statutes is repealed and the
109 following is substituted in lieu thereof (*Effective July 1, 2025*):

110 (a) [Not less than one hundred eighty days before] Between July first
111 and September thirtieth, inclusive, of the calendar year in which a
112 presumption of abandonment is to take effect, [in respect to property
113 subject to section 3-60b or 3-60c and within one year before a
114 presumption of abandonment is to take effect in respect to all other
115 property subject to this part, and] if the owner's claim is not barred by
116 law, the holder shall notify the owner thereof and take reasonable steps
117 to prevent abandonment from being presumed. Such notice shall be
118 provided, at a minimum, by [sending such notice by first class] (1) first-
119 class mail directed to the owner's last-known address, [and,] if such
120 address is sufficient for the purpose of the delivery of first-class United
121 States mail and the cumulative value of all property belonging to the
122 owner is fifty dollars or greater, and (2) electronic mail directed to the
123 owner's last-known electronic mail address, regardless of the value of
124 the property, if a holder has received an owner's consent for the
125 electronic delivery of any notices that are required by law. [, by
126 electronic mail directed to the owner's last-known electronic mail
127 address,] Such notice shall inform the owner that evidence of interest
128 must be indicated as required by this part or such property will be
129 transferred to the Treasurer and will be subject to escheat to the state. If
130 the property presumed abandoned is a security, virtual currency or
131 tangible property from a safe deposit box, the holder's notice shall
132 indicate that such property may be liquidated either prior to or
133 following its reporting to the Treasurer and that after such liquidation
134 will be limited to the proceeds of such liquidation. Nothing in this

135 subsection shall be construed to require an owner to consent to the
136 electronic delivery of notices for communications regarding unclaimed
137 property.

138 (b) Not later than [ninety days after] March thirty-first following the
139 close of the calendar year in which property is presumed abandoned,
140 the holder shall pay or deliver such property to the Treasurer and file,
141 on forms that the Treasurer shall provide, a report of unclaimed
142 property. Each report shall be verified and shall include: (1) The name,
143 if known, last-known physical and electronic mail address, if any, and
144 last-known telephone number, if any, of each person appearing to be the
145 owner of such property; (2) in case of unclaimed funds of an insurance
146 company, the full name of the insured or annuitant and beneficiary and
147 his or her last-known address appearing on the insurance company's
148 records; (3) the nature and identifying number, if any, or description of
149 the property and the amount appearing from the records to be due; (4)
150 the date when the property became payable, demandable or returnable
151 and the date of the last transaction with the owner with respect to the
152 property; (5) if the holder is a successor to other holders, or if the holder
153 has changed the holder's name, all prior known names and addresses of
154 each holder of the property; and (6) such other information as the
155 Treasurer may require.

156 (c) Verification, if made by a partnership, shall be executed by a
157 partner; if made by an unincorporated association or private
158 corporation, by an officer; and if made by a public corporation, by its
159 chief fiscal officer.

160 (d) The Treasurer shall keep a permanent record of all reports
161 submitted to the Treasurer pursuant to this section. A holder shall retain
162 the following records for at least ten years after the date any report was
163 filed under this section or the last date a timely report was due to be
164 filed, unless a shorter retention period is provided by the Treasurer: (1)
165 The information required to be included in the report, (2) the date, place
166 and nature of the circumstances that gave rise to the property right, and

167 (3) any documentation concerning items considered for reporting that
168 were not ultimately determined to represent unclaimed property, for
169 verification of whether the holder has complied with its reporting
170 obligation under this section.

171 (e) Except for claims paid under section 3-67a and except as provided
172 in subsection (e) of section 3-70a, no owner shall be entitled to any
173 interest, income or other increment which may accrue to property
174 presumed abandoned from and after the date of payment or delivery to
175 the Treasurer.

176 (f) The Treasurer may decline to receive any property the value of
177 which is less than the cost of giving notice or holding sale, or may
178 postpone taking possession until a sufficient sum accumulates.

179 (g) The Treasurer, or any officer or agency designated by the
180 Treasurer, may examine any person on oath or affirmation, or the
181 records of any person or any agent of the person including, but not
182 limited to, a dividend disbursement agent or transfer agent of a business
183 association, banking organization or insurance company that is the
184 holder of property presumed abandoned to determine whether the
185 person or agent has complied with this part. The Treasurer may conduct
186 the examination even if the person or agent believes the person or agent
187 is not in possession of any property that must be paid, delivered or
188 reported under this part. The Treasurer may bring an action in a court
189 of appropriate jurisdiction to enforce the provisions of this part.

190 (h) A record of the issuance of a check, draft or similar instrument is
191 prima facie evidence of the obligation represented by the check, draft or
192 similar instrument. In claiming property from a holder who is also the
193 issuer, the Treasurer's burden of proof as to the existence and amount
194 of the property and its abandonment is satisfied by showing issuance of
195 the instrument and passage of the requisite period of abandonment.
196 Defenses of payment, satisfaction, discharge and want of consideration
197 are affirmative defenses that shall be established by the holder.

198 (i) Notwithstanding the provisions of subsection (b) of this section,
199 the holder of personal property presumed abandoned pursuant to
200 subdivision (5) of subsection (a) of section 3-57a or section 3-57b shall
201 (1) sell such property and pay the proceeds arising from such sale,
202 excluding any charges that may lawfully be withheld, to the Treasurer,
203 unless such property consists of military medals, in which case such
204 property shall not be sold, and (2) provide the Treasurer with records
205 deemed appropriate by the Treasurer of property so presumed
206 abandoned. The holder shall complete the sale of such property and
207 deliver the net proceeds to the Treasurer not later than thirty days after
208 filing the report required under subsection (b) of this section. A holder
209 of tangible, personal property may contract with a third party to store
210 and sell such property and to pay the proceeds arising from such sale,
211 excluding any charges that may be lawfully withheld, to the Treasurer,
212 provided the third party holds a surety bond or other form of insurance
213 coverage with respect to such activities. Any holder who sells property
214 pursuant to subsection (a) of section 3-57a or section 3-57b and remits
215 the excess proceeds to the Treasurer or who transmits tangible, personal
216 property to a bonded or insured third party for such purposes, shall not
217 be responsible for any claims related to the sale or transmission of the
218 property or proceeds to the Treasurer. If the Treasurer exempts any such
219 property from being remitted or sold pursuant to this subsection,
220 whether by regulations or guidelines, the holder of such property may
221 dispose of such property in any manner such holder deems appropriate
222 and such holder shall not be responsible for any claims related to the
223 disposition of such property or any claims to the property itself. For
224 purposes of the sale of personal property presumed abandoned under
225 subdivision (5) of subsection (a) of section 3-57a or section 3-57b, charges
226 that may lawfully be withheld include costs of storage, appraisal,
227 advertising and sales commissions as well as lawful charges owing
228 under the contract governing the safe deposit box rental.

229 (j) In the event military medals are presumed abandoned pursuant to
230 subdivision (5) of subsection (a) of section 3-57a, a banking or financial

231 organization shall transmit such medals to the Department of Veterans
232 Affairs in accordance with procedures established by the Treasurer. The
233 Treasurer and Commissioner of Veterans Affairs shall enter into a
234 memorandum of understanding concerning the handling of such
235 medals and the Department of Veterans Affairs shall hold such medals
236 in custody pursuant to such memorandum. The Treasurer may make
237 any information obtained pursuant to this section, including any
238 photograph or other visual depiction of a military medal but excluding
239 Social Security numbers, available to the public to facilitate the
240 identification of the original owner of such medal or such owner's heirs
241 or beneficiaries.

242 Sec. 4. Section 3-70a of the general statutes is amended by adding
243 subsections (h) and (i) as follows (*Effective July 1, 2025*):

244 (NEW) (h) Notwithstanding the provisions of subsection (a) of this
245 section, where the sole owner of the abandoned property is reported as
246 the office of the Secretary of the State, State Comptroller, Attorney
247 General or State Treasurer or a department within the executive branch,
248 as listed in section 4-38c, the Treasurer may submit a report to the Office
249 of Policy and Management identifying the value of each property
250 escheated and the applicable office or department that is the reported
251 owner. Unless the Office of Policy and Management directs otherwise,
252 the property shall escheat to the state in accordance with this part three
253 months following the submission of such report and the Treasurer shall
254 reclassify such property as property of the state instead of unclaimed
255 property.

256 (NEW) (i) The Treasurer may establish a program that permits the
257 owner of a claim allowed under this section for property, funds or
258 money to donate such claim in its entirety to a charitable cause. The
259 Treasurer shall select one or more of the following to be the recipient of
260 donated payments under this subsection: (1) The organ transplant
261 account established in section 17b-288, (2) the AIDS research education
262 account established in section 19a-32a, (3) the endangered species,

263 natural area preserves and watchable wildlife account established in
 264 section 22a-27l, (4) the breast cancer research and education account
 265 established in section 19a-32b, (5) the safety net services account
 266 established in section 17b-112f, (6) the Connecticut Baby Bond Trust
 267 established in section 3-36b, (7) the mental health community
 268 investment account established in section 17a-451g, or (8) the Military
 269 Relief Fund established in section 27-100a. An owner's election to donate
 270 an allowed claim payment shall be irrevocable and remittance of the
 271 donation shall be considered full payment of the allowed claim. The
 272 Treasurer shall prescribe the form that such donation election shall take.

273 Sec. 5. Subsection (c) of section 3-66a of the general statutes is
 274 repealed and the following is substituted in lieu thereof (*Effective July 1,*
 275 *2025*):

276 (c) [The] For properties with a reported value of fifty dollars or more,
 277 the Treasurer shall [notify] send a notice, in a manner deemed
 278 appropriate by the Treasurer, to each person, other than an individual
 279 to whom the Treasurer makes or will make a payment pursuant to
 280 subsection (f) of section 3-70a, reported as the apparent owner of
 281 unclaimed property that was reported or transferred to the Treasurer
 282 during the preceding calendar year and for whom the holder of such
 283 property has reported a last-known address [,] in this state sufficient to
 284 direct the delivery of first-class United States mail or valid electronic
 285 mail address [or telephone number] to the Treasurer. Such notice shall
 286 [include information concerning the amount and description of such
 287 property] inform the person that such person may have unclaimed
 288 property available to claim and the process by which such [owner]
 289 person may verify ownership to and claim such property.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2025</i>	3-56a
Sec. 2	<i>July 1, 2025</i>	New section
Sec. 3	<i>July 1, 2025</i>	3-65a

Sec. 4	<i>July 1, 2025</i>	3-70a(h) and (i)
Sec. 5	<i>July 1, 2025</i>	3-66a(c)

Statement of Purpose:

To make revisions to provisions concerning unclaimed property, including providing when funeral service contracts are deemed abandoned, redefining "last-known address", creating a process to escheat property solely owned by a state agency, authorize a process to donate approved claims for charitable purposes and require notification for properties valued at fifty dollars or more.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]