



General Assembly

February Session, 2024

Substitute Bill No. 393



**AN ACT IMPLEMENTING THE TREASURER'S RECOMMENDATIONS
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 Section 3-56a of the general statutes is repealed and the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, 2024*):

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

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

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

41 (8) "Last-known address" means a description of the location of the
42 apparent owner sufficient for the purpose of delivery of mail;

43 (9) "Mineral" means gas; oil; other gaseous, liquid, and solid
44 hydrocarbons; oil shale; cement material; sand and gravel; road
45 material; building stone; chemical raw material; gemstone; fissionable
46 and nonfissionable ores; colloidal and other clay; steam and other
47 geothermal resource; or any other substance defined as a mineral by the
48 law of this state;

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

60 (11) "Owner" means a depositor in case of a deposit, a beneficiary in
61 case of a trust, a creditor, claimant or payee in case of other choses in
62 action, or any person having a legal or equitable interest in property
63 subject to this part, or such person's legal representative;

64 (12) "Person" means any individual, business association, estate,
65 trust, government, governmental subdivision, agency or
66 instrumentality, or any other legal or commercial entity;

67 (13) "Property" means realty or personalty, tangible or intangible, and
68 includes, but is not limited to, virtual currency;

69 (14) "Record" means information that is inscribed on a tangible
70 medium or that is stored in an electronic or other medium and is
71 retrievable in perceivable form;

72 (15) "Treasurer" means the Treasurer of the state of Connecticut; [and]

73 (16) "Utility" means a person who owns or operates for public use any
74 plant, equipment, real property, franchise or license for the transmission
75 of communications or the production, storage, transmission, sale,
76 delivery or furnishing of electricity, water, steam or gas; and

77 (17) "Virtual currency" has the same meaning as provided in section
78 36a-596.

79 Sec. 2. (NEW) (*Effective July 1, 2024*) Any virtual currency held by a
80 business association, banking organization or financial organization
81 that facilitates the purchase, storage or transfer of virtual currency
82 through a secure system is presumed abandoned under part III of
83 chapter 32 of the general statutes unless the owner of such virtual
84 currency has accessed such secure system within the preceding three
85 years or, in the case of the final voluntary or involuntary dissolution or
86 liquidation of the business association, banking organization or
87 financial organization that operates such secure system, at such date of
88 dissolution or liquidation.

89 Sec. 3. Section 3-65a of the general statutes is repealed and the
90 following is substituted in lieu thereof (*Effective July 1, 2024*):

91 (a) [Within] Not less than one hundred eighty days before a
92 presumption of abandonment is to take effect in respect to property
93 subject to section 3-60b or 3-60c and within one year before a
94 presumption of abandonment is to take effect in respect to all other
95 property subject to this part, and if the owner's claim is not barred by
96 law, the holder shall notify the owner thereof, by first class mail directed
97 to the owner's last-known address, by electronic mail directed to the
98 owner's last-known electronic mail address and by communication to
99 the owner's last-known telephone number, including a mobile
100 telephone number, that evidence of interest must be indicated as
101 required by this part or such property will be transferred to the
102 Treasurer and will be subject to escheat to the state. If the property
103 presumed abandoned is a security, virtual currency or tangible property
104 from a safe deposit box, the holder's notice shall indicate that such
105 property may be liquidated either prior to or following its reporting to
106 the Treasurer and that after such liquidation will be limited to the
107 proceeds of such liquidation.

108 (b) Not later than ninety days after the close of the calendar year in
109 which property is presumed abandoned, the holder shall pay or deliver
110 such property to the Treasurer and file, on forms that the Treasurer shall
111 provide, a report of unclaimed property. Each report shall be verified

112 and shall include: (1) The name, if known, [and] last-known physical
113 and electronic mail address, if any, and last-known telephone number,
114 if any, of each person appearing to be the owner of such property; (2) in
115 case of unclaimed funds of an insurance company, the full name of the
116 insured or annuitant and beneficiary and his or her last-known address
117 appearing on the insurance company's records; (3) the nature and
118 identifying number, if any, or description of the property and the
119 amount appearing from the records to be due; (4) the date when the
120 property became payable, demandable or returnable and the date of the
121 last transaction with the owner with respect to the property; (5) if the
122 holder is a successor to other holders, or if the holder has changed the
123 holder's name, all prior known names and addresses of each holder of
124 the property; and (6) such other information as the Treasurer may
125 require.

126 (c) Verification, if made by a partnership, shall be executed by a
127 partner; if made by an unincorporated association or private
128 corporation, by an officer; and if made by a public corporation, by its
129 chief fiscal officer.

130 (d) The Treasurer shall keep a permanent record of all reports
131 submitted to the Treasurer pursuant to this section.

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

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

140 (g) The Treasurer, or any officer or agency designated by the
141 Treasurer, may examine any person on oath or affirmation, or the
142 records of any person or any agent of the person including, but not
143 limited to, a dividend disbursement agent or transfer agent of a business

144 association, banking organization or insurance company that is the
145 holder of property presumed abandoned to determine whether the
146 person or agent has complied with this part. The Treasurer may conduct
147 the examination even if the person or agent believes the person or agent
148 is not in possession of any property that must be paid, delivered or
149 reported under this part. The Treasurer may bring an action in a court
150 of appropriate jurisdiction to enforce the provisions of this part.

151 (h) A record of the issuance of a check, draft or similar instrument is
152 prima facie evidence of the obligation represented by the check, draft or
153 similar instrument. In claiming property from a holder who is also the
154 issuer, the Treasurer's burden of proof as to the existence and amount
155 of the property and its abandonment is satisfied by showing issuance of
156 the instrument and passage of the requisite period of abandonment.
157 Defenses of payment, satisfaction, discharge and want of consideration
158 are affirmative defenses that shall be established by the holder.

159 (i) Notwithstanding the provisions of subsection (b) of this section,
160 the holder of personal property presumed abandoned pursuant to
161 subdivision (5) of subsection (a) of section 3-57a or section 2 of this act
162 shall (1) sell such property and pay the proceeds arising from such sale,
163 excluding any charges that may lawfully be withheld, to the Treasurer,
164 unless such property consists of military medals, in which case such
165 property shall not be sold, and (2) provide the Treasurer with records
166 deemed appropriate by the Treasurer of property so presumed
167 abandoned. The holder shall complete the sale of such property and
168 deliver the net proceeds to the Treasurer not later than thirty days after
169 filing the report required under subsection (b) of this section. A holder
170 of [such] tangible, personal property may contract with a third party to
171 store and sell such property and to pay the proceeds arising from such
172 sale, excluding any charges that may be lawfully withheld, to the
173 Treasurer, provided the third party holds a surety bond or other form
174 of insurance coverage with respect to such activities. Any holder who
175 sells [such] property pursuant to subsection (a) of section 3-57a or
176 section 2 of this act and remits the excess proceeds to the Treasurer or
177 who transmits [such] tangible, personal property to a bonded or insured

178 third party for such purposes, shall not be responsible for any claims
179 related to the sale or transmission of the property or proceeds to the
180 Treasurer. If the Treasurer exempts any such property from being
181 remitted or sold pursuant to this subsection, whether by regulations or
182 guidelines, the holder of such property may dispose of such property in
183 any manner such holder deems appropriate and such holder shall not
184 be responsible for any claims related to the disposition of such property
185 or any claims to the property itself. For purposes of [this subsection] the
186 sale of personal property presumed abandoned under subdivision (5) of
187 subsection (a) of section 3-57a or section 2 of this act, charges that may
188 lawfully be withheld include costs of storage, appraisal, advertising and
189 sales commissions as well as lawful charges owing under the contract
190 governing the safe deposit box rental.

191 (j) In the event military medals are presumed abandoned pursuant to
192 subdivision (5) of subsection (a) of section 3-57a, a banking or financial
193 organization shall transmit such medals to the Department of Veterans
194 Affairs in accordance with procedures established by the Treasurer. The
195 Treasurer and Commissioner of Veterans Affairs shall enter into a
196 memorandum of understanding concerning the handling of such
197 medals and the Department of Veterans Affairs shall hold such medals
198 in custody pursuant to such memorandum. The Treasurer may make
199 any information obtained pursuant to this section, including any
200 photograph or other visual depiction of a military medal but excluding
201 Social Security numbers, available to the public to facilitate the
202 identification of the original owner of such medal or such owner's heirs
203 or beneficiaries.

204 Sec. 4. Subsection (c) of section 3-66a of the general statutes is
205 repealed and the following is substituted in lieu thereof (*Effective July 1,*
206 *2024*):

207 (c) The Treasurer shall notify, [by first-class mail] in a manner
208 deemed appropriate by the Treasurer, each person, other than an
209 individual to whom the Treasurer makes or will make a payment
210 pursuant to subsection (f) of section 3-70a, reported as the apparent

211 owner of unclaimed property that was reported or transferred to the
212 Treasurer during the preceding calendar year and for whom the holder
213 of such property has reported a last-known address, valid electronic
214 mail address or telephone number to the Treasurer. Such notice shall
215 include information concerning the amount and description of such
216 property and the process by which such owner may verify ownership
217 to and claim such property.

218 Sec. 5. Section 45a-179 of the general statutes is repealed and the
219 following is substituted in lieu thereof (*Effective July 1, 2024*):

220 (a) When a conservator, guardian or trustee of a testamentary trust
221 exhibits his or her final account to the Probate Court for allowance, the
222 court shall appoint a time and place for a hearing on the account and
223 shall cause notice of the hearing to be given as it directs. Such fiduciary
224 shall sign the account under penalty of false statement.

225 (b) Prior to exhibiting a final account to the Probate Court, an
226 executor or administrator shall (1) conduct a search of the list of
227 unclaimed property maintained by the Treasurer pursuant to section 3-
228 66a, as amended by this act, and (2) certify to the court that such search
229 has been conducted and the results of such search, under penalty of false
230 statement.

231 [(b)] (c) The court shall, before approving a final account of an
232 executor or administrator, hold a hearing thereon for which notice may
233 be given as the court shall direct, unless all parties interested in the
234 estate sign and file in court a written waiver of such notice.

235 Sec. 6. Subsection (c) of section 3-70a of the general statutes is
236 repealed and the following is substituted in lieu thereof (*Effective July 1,*
237 *2024*):

238 (c) (1) (A) No agreement entered into prior to January 1, 2023, to
239 locate property shall be valid if: (i) Such agreement is entered into (I)
240 within two years after the date a report of unclaimed property is
241 required to be filed under section 3-65a, as amended by this act, or (II)

242 between the date such a report is required to be filed under said section
243 and the date it is filed under said section, whichever period is longer;
244 (ii) such agreement is entered into within two years after the date of
245 posting of the notice required by section 3-66a, as amended by this act;
246 or (iii) pursuant to such agreement, any person undertakes to locate
247 property included in a report of unclaimed property that is required to
248 be filed under section 3-65a, as amended by this act, for a fee or other
249 compensation exceeding ten per cent of the value of the recoverable
250 property.

251 (B) No agreement entered into on or after January 1, 2023, to locate
252 property shall be valid if: (i) Such agreement is entered into (I) within
253 two years after the date a report of unclaimed property is required to be
254 filed under section 3-65a, as amended by this act, or (II) between the date
255 such a report is required to be filed under said section and the date it is
256 filed under said section, whichever period is longer; or (ii) pursuant to
257 such agreement, any person undertakes to locate property included in a
258 report of unclaimed property that is required to be filed under section
259 3-65a, as amended by this act, for a fee or other compensation exceeding
260 ten per cent of the value of the recoverable property.

261 (2) (A) An agreement entered into prior to January 1, 2025, to locate
262 property shall be valid only if it is in writing, signed by the owner, and
263 discloses the nature and value of the property, and the owner's share
264 after the fee or compensation has been subtracted is clearly stipulated.
265 [Nothing in this section shall be construed to prevent an owner from
266 asserting, at any time, that any agreement to locate property is based
267 upon excessive or unjust consideration.]

268 (B) An agreement entered into on or after January 1, 2025, to locate
269 property or to otherwise obtain an interest in unclaimed property shall
270 be valid only if in writing, signed by the owner and clearly and
271 conspicuously discloses (i) the nature and value of the property, (ii) the
272 owner's share after the fee or compensation has been subtracted from
273 such value, and (iii) that the owner may file a claim directly with the
274 Treasurer at no cost and the method through which such claim may be

275 filed.

276 (3) Any solicitation made to locate or otherwise obtain an interest in
277 unclaimed property shall clearly and conspicuously disclose in a written
278 statement that (A) any individual may search for and file a claim for
279 such property directly with the Treasurer at no cost, and (B) the method
280 through which such claim may be filed.

281 (4) Any claim for unclaimed property filed with the Treasurer
282 pursuant to an agreement or solicitation under this subsection, shall
283 include an unredacted version of any such agreement or solicitation to
284 permit the Treasurer to determine whether such agreement or
285 solicitation complies with the requirements of this subsection.

286 (5) The Treasurer may withhold payment of a claim for unclaimed
287 property to anyone other than the owner (A) for failure to comply with
288 the requirements of subdivision (4) of this subsection, or (B) if the
289 Treasurer determines that the solicitation or agreement to locate or
290 otherwise obtain an interest in such unclaimed property does not
291 comply with any other requirement of this subsection.

292 (6) Nothing in this section shall be construed to prevent an owner
293 from asserting, at any time, that an agreement to locate or to otherwise
294 obtain an interest in unclaimed property is based upon excessive or
295 unjust consideration.

296 Sec. 7. (NEW) (*Effective from passage*) The Commissioner of Revenue
297 Services and the Treasurer shall enter into an agreement for the
298 disclosure of return information, or other relevant information in the
299 commissioner's possession, to the Treasurer to facilitate (1) the
300 identification of the rightful owner of unclaimed property under part III
301 of chapter 32 of the general statutes, and (2) the payment of claims via
302 electronic deposit or other electronic means. No provision of any such
303 agreement shall unnecessarily delay or impede the Treasurer's ability to
304 comply with any requirements for such payment required by law.

305 Sec. 8. Subsection (b) of section 12-15 of the 2024 supplement to the

306 general statutes is repealed and the following is substituted in lieu
307 thereof (*Effective from passage*):

308 (b) The commissioner may disclose (1) returns or return information
309 to (A) an authorized representative of another state agency or office,
310 upon written request by the head of such agency or office, when
311 required in the course of duty or when there is reasonable cause to
312 believe that any state law is being violated, or (B) an authorized
313 representative of an agency or office of the United States, upon written
314 request by the head of such agency or office, when required in the course
315 of duty or when there is reasonable cause to believe that any federal law
316 is being violated, provided no such agency or office shall disclose such
317 returns or return information, other than in a judicial or administrative
318 proceeding to which such agency or office is a party pertaining to the
319 enforcement of state or federal law, as the case may be, in a form which
320 can be associated with, or otherwise identify, directly or indirectly, a
321 particular taxpayer except that the names and addresses of jurors or
322 potential jurors and the fact that the names were derived from the list of
323 taxpayers pursuant to chapter 884 may be disclosed by the Judicial
324 Branch; (2) returns or return information to the Auditors of Public
325 Accounts, when required in the course of duty under chapter 23; (3)
326 returns or return information to tax officers of another state or of a
327 Canadian province or of a political subdivision of such other state or
328 province or of the District of Columbia or to any officer of the United
329 States Treasury Department or the United States Department of Health
330 and Human Services, authorized for such purpose in accordance with
331 an agreement between this state and such other state, province, political
332 subdivision, the District of Columbia or department, respectively, when
333 required in the administration of taxes imposed under the laws of such
334 other state, province, political subdivision, the District of Columbia or
335 the United States, respectively, and when a reciprocal arrangement
336 exists; (4) returns or return information in any action, case or proceeding
337 in any court of competent jurisdiction, when the commissioner or any
338 other state department or agency is a party, and when such information
339 is directly involved in such action, case or proceeding; (5) returns or

340 return information to a taxpayer or its authorized representative, upon
341 written request for a return filed by or return information on such
342 taxpayer; (6) returns or return information to a successor, receiver,
343 trustee, executor, administrator, assignee, guardian or guarantor of a
344 taxpayer, when such person establishes, to the satisfaction of the
345 commissioner, that such person has a material interest which will be
346 affected by information contained in such returns or return information;
347 (7) information to the assessor or an authorized representative of the
348 chief executive officer of a Connecticut municipality, when the
349 information disclosed is limited to (A) a list of real or personal property
350 that is or may be subject to property taxes in such municipality, or (B) a
351 list containing the name of each person who is issued any license, permit
352 or certificate which is required, under the provisions of this title, to be
353 conspicuously displayed and whose address is in such municipality; (8)
354 real estate conveyance tax return information or controlling interest
355 transfer tax return information to the town clerk or an authorized
356 representative of the chief executive officer of a Connecticut
357 municipality to which the information relates; (9) estate tax returns and
358 estate tax return information to the Probate Court Administrator or to
359 the court of probate for the district within which a decedent resided at
360 the date of the decedent's death, or within which the commissioner
361 contends that a decedent resided at the date of the decedent's death or,
362 if a decedent died a nonresident of this state, in the court of probate for
363 the district within which real estate or tangible personal property of the
364 decedent is situated, or within which the commissioner contends that
365 real estate or tangible personal property of the decedent is situated; (10)
366 returns or return information to the (A) Secretary of the Office of Policy
367 and Management for purposes of subsection (b) of section 12-7a, and (B)
368 Office of Fiscal Analysis for purposes of, and subject to the provisions
369 of, subdivision (2) of subsection (f) of section 12-7b; (11) return
370 information to the Jury Administrator or Clerk of the United States
371 District Court for the District of Connecticut, when the information
372 disclosed is limited to the names, addresses, federal Social Security
373 numbers and dates of birth, if available, of residents of this state, as
374 defined in subdivision (1) of subsection (a) of section 12-701; (12) returns

375 or return information to any person to the extent necessary in
376 connection with the processing, storage, transmission or reproduction
377 of such returns or return information, and the programming,
378 maintenance, repair, testing or procurement of equipment, or the
379 providing of other services, for purposes of tax administration; (13)
380 without written request and unless the commissioner determines that
381 disclosure would identify a confidential informant or seriously impair a
382 civil or criminal tax investigation, returns and return information which
383 may constitute evidence of a violation of any civil or criminal law of this
384 state or the United States to the extent necessary to apprise the head of
385 such agency or office charged with the responsibility of enforcing such
386 law, in which event the head of such agency or office may disclose such
387 return information to officers and employees of such agency or office to
388 the extent necessary to enforce such law; (14) names and addresses of
389 operators, as defined in section 12-407, to tourism districts, as defined in
390 section 10-397; (15) names of each licensed dealer, as defined in section
391 12-285, and the location of the premises covered by the dealer's license;
392 (16) to a tobacco product manufacturer that places funds into escrow
393 pursuant to the provisions of subsection (a) of section 4-28i, return
394 information of a distributor licensed under the provisions of chapter 214
395 or chapter 214a, provided the information disclosed is limited to
396 information relating to such manufacturer's sales to consumers within
397 this state, whether directly or through a distributor, dealer or similar
398 intermediary or intermediaries, of cigarettes, as defined in section 4-28h,
399 and further provided there is reasonable cause to believe that such
400 manufacturer is not in compliance with section 4-28i; (17) returns or
401 return information to the State Elections Enforcement Commission,
402 upon written request by said commission, when necessary to investigate
403 suspected violations of state election laws; (18) returns or return
404 information for purposes of, and subject to the conditions of, subsection
405 (e) of section 5-240; (19) to the extent allowable under federal law, return
406 information to another state agency or to support a data request
407 submitted through CP20 WIN, established in section 10a-57g, in
408 accordance with the policies and procedures of CP20 WIN for the
409 purposes of evaluation or research, provided the recipient of such data

410 enters into a data sharing agreement pursuant to section 4-67aa if such
411 recipient is not a state agency; [and] (20) return information to the
412 Connecticut Health Insurance Exchange pursuant to section 12-156; and
413 (21) return information to the Treasurer pursuant to an agreement
414 entered into under section 7 of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2024</i>	3-56a
Sec. 2	<i>July 1, 2024</i>	New section
Sec. 3	<i>July 1, 2024</i>	3-65a
Sec. 4	<i>July 1, 2024</i>	3-66a(c)
Sec. 5	<i>July 1, 2024</i>	45a-179
Sec. 6	<i>July 1, 2024</i>	3-70a(c)
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	12-15(b)

Statement of Legislative Commissioners:

In Section 6, references to "as amended by this act" were added for consistency with standard drafting conventions.

GAE *Joint Favorable Subst. -LCO*