



February 28, 2024

**SUMMARY OF BILL:** Authorizes the unused balance in a sports betting account to be remitted to the bettor by a licensed sports gaming operator after the account has been inactive for at least three years. Authorizes the balance to be remitted via any manner in which the account was funded or by mailing a check via certified mail. Prohibits a licensee from remitting an unused balance to the State Treasurer in accordance with the *Tennessee Unclaimed Property Act* unless the licensee is unable to return the unused balance of the account to the bettor after six-months from the three-year period of dormancy. Prohibits, upon remittance to the State Treasurer in accordance with the *Tennessee Unclaimed Property Act*, the licensee from aggregating the unused account balances and instead requires the licensee to remit the balances individually.

**FISCAL IMPACT:**

**Other Fiscal Impact – Due to multiple unknown variables, the precise impact on state revenue to the General Fund, if any, or impact to the balance of the Unclaimed Property Fund, if any, cannot be reasonably determined.**

Assumptions:

- Pursuant to Tenn. Code Ann. § 66-29-105(a)(14), property is presumed abandoned if it is unclaimed by the owner three years after the owner first had the right to demand the property or the obligation to pay or distribute the property arises.
- According to the Department of the Treasury, the proposed legislation may exclude bettor balances from the requirements outlined in Tenn. Code Ann. § 66-29-105(a)(14), provisions of the *Tennessee Unclaimed Property Act*, by authorizing, rather than requiring, the licensee to remit the unused balances to the Unclaimed Property Program.
- Pursuant to Tenn. Code Ann. § 66-29-146, property that goes unclaimed in the Unclaimed Property Program reverts to the General Fund once administrative costs are paid; the Treasurer is required to maintain an account (the Unclaimed Property Fund) with an amount of funds the Treasurer estimates to be sufficient to pay claims.
- It is unknown the number of outstanding bettor accounts, the remaining funds in those accounts, and how many licensees, if any, would remit unused balances to the bettor or the Unclaimed Property Program. Therefore, the extent to which the proposed legislation may impact state revenue to the General Fund, or the balance of the Unclaimed Property Fund held by the Treasurer to pay claims, is based upon multiple unknown factors and cannot be reasonably quantified or determined.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive style with a large initial 'K' and 'C'.

Krista Lee Carsner, Executive Director

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