

Supplemental Information regarding:
Senate Bill 241 – Commercial Law – Abandoned Property - Alterations
As requested by: Budget and tax Committee
February 3, 2022

The Budget and Tax Committee requested clarification from the Comptroller's Office on the current, and proposed process (via SB241) for abandoned property – specifically, the contents of safe deposit boxes. The bolded items in #7 are the only functional changes this legislation would make.

The current process is as follows:

1. Box contents, as permitted by law, are presumed abandoned after three (3) years after the lease or rental period of box has expired (or non-payment of rent or lease). An inventory must accompany the contents of the box.
2. Not more than 120 days or less than 30 days before it is transferred to the state, the holder (typically, a bank) in possession of presumed abandoned property shall send a written notice by first class mail to the apparent owner of the presumed abandoned property to the owner's last known address informing the owner that the holder has the property and if there is no response within 30 days, it will be transferred to the State. – **FIRST NOTIFICATION**
3. State receives property and inventories it to ensure it matches the holder report of unclaimed property.
4. Must be offered for sale within 1 year of delivery via public sale. CLA 17-316(a)
5. State provides notification via postcard to owner's last known address within approximately 90 days of receipt of property – **SECOND NOTIFICATION.**
6. State contracts a licensed appraiser to independently appraise all property transferred to the State. The appraisals are conducted approximately every 3 months. During this time, the owner still could claim the property, as it is searchable on our website, and identified as part of the officially-listed (newspaper notices) unclaimed property inventory – **THIRD NOTIFICATION.**
7. Property deemed to have commercial value is auctioned via eBay and **property with no commercial value is stored indefinitely until claimed.**

The same process as proposed by SB241 (2023) is substantially similar:

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7. Property deemed to have commercial value is auctioned via eBay and **property with no commercial value will be disposed of or destroyed at our discretion.**

