

**SB 665 - LOS.pdf**

Uploaded by: Matthew Dudzic

Position: FAV

## Letter of Support

### **Senate Bill 665 – Maryland Uniform Disposition of Abandoned Property Act – Revisions** *Senate Finance Committee* *February 13, 2025*

The Maryland Uniform Disposition of Abandoned Property Act (the Act), which was originally passed in 1966, governs the distribution of unclaimed property. As such, it established the Comptroller of Maryland as the administrator of abandoned or “unclaimed” property in the state and charges the agency with managing – and ultimately, reuniting - unclaimed property with its rightful owner. The Act is outdated and needs to be modernized to ensure that Marylanders have efficient and reliable access to their property.

**What this bill does:** Senate Bill 665 modernizes the Act by incorporating forms of property that did not exist when it was enacted. Additionally, the bill updates and streamlines current procedures to align the State with national best practices. The proposal also expedites the process of reuniting Marylanders with their unclaimed property. Finally, the bill allows the Comptroller’s office to allocate funds to support the maintenance of critical IT systems that benefit the State.

**Why it is important:** A key provision of SB665 is the inclusion of virtual currencies as a recognized category of abandoned property. As digital assets grow in use and complexity, it is essential that Maryland’s unclaimed property framework adapts accordingly. By explicitly incorporating virtual currencies, this bill ensures these assets are adequately reported, safeguarded, and available to rightful claimants. This update enhances consumer protections and provides much-needed regulatory clarity in an increasingly digital economy.

SB665 strengthens consumer protections by ensuring that rightful owners have clearer guidelines and more opportunities to maintain control over their property. Under the new provisions, an individual’s engagement with their account, including logging in, making a transaction, or even contacting the financial institution, will be recognized as a sign of continued ownership.

Furthermore, the bill updates the reporting threshold and ensures that the Agency can focus on cases with the greatest impact. Currently, the Agency’s resources are stretched thin managing small-value claims, which can slow down the process for higher-value recoveries. To remedy this, SB665 allows the Office of the Comptroller to directly distribute funds of less than \$5,000 to Marylanders. This allows the Comptroller to more rapidly reunite Marylanders with their unclaimed property, while also making our office more efficient.

**I urge a favorable report on SB665.**



If you have any questions, please do not hesitate to reach Stephen Harrington at [SHarrington@marylandtaxes.gov](mailto:SHarrington@marylandtaxes.gov).

A handwritten signature in black ink, appearing to read "Brooke E. Lierman". The signature is fluid and cursive, with a large initial "B" and a long, sweeping tail.

Brooke E. Lierman  
Comptroller of Maryland

# **Unclaimed Tax Revisions1.pdf**

Uploaded by: Mark Cicero

Position: FWA

Finance Committee,

I have written common laws before for MD and all have passed with zero opposing votes as I try to look past political parties. While I agree with SB0665 I would like to add the following amendments for consideration. While the funds by law must be held in a special fund, I recommend that special fund be interest bearing. Without success I filed a PIA request to determine how much money is in the special fund but according to a 2019 news article there was approx. \$1.9B on unclaimed property held by the State of MD. If those funds were put into an interest-bearing account, we could use those proceeds to fund the Register of Wills in each county who are about to lose funding due to the removal of either the inheritance or estate tax, I can't remember which one is on the chopping block. If the money, based on 2019 source, was put into a 4% interest bearing account MD would make \$76M and could easily afford to fund the \$35M needed to continue to run the Register of Wills statewide. This would fund a vital MD resource without raising taxes on anyone and simply just reallocating the funds from a non-interest-bearing account to an interest-bearing account. Below are the sample amendments to reflect this with the changes being in **BOLD**. If you have any questions please feel free to reach out to me at any time – Mark Cicero, [mcicero1087@gmail.com](mailto:mcicero1087@gmail.com), 443-880-5474.

#### **Commercial Law Article 17-317**

(a) (1) (i) All funds received under this title, including the proceeds of the sale of abandoned property under § 17–316 of this subtitle, shall be credited by the Administrator to **an interest bearing special fund**.

(ii) The Administrator shall retain in the special fund at the end of each fiscal year, from the proceeds received, an amount not to exceed \$50,000, from which sum the Administrator shall pay any claim allowed under this title.

(2) After deducting all costs incurred in administering this title from the remaining net funds the Administrator shall distribute \$8,000,000 to the Maryland Legal Services Corporation Fund established under § 11–402 of the Human Services Article.

(3) (i) Subject to subparagraph (ii) of this paragraph, the Administrator shall distribute all unclaimed money from judgments of restitution under Title 11, Subtitle 6 of the Criminal Procedure Article to the State Victims of Crime Fund established under § 11–916 of the Criminal Procedure Article to assist victims of crimes and delinquent acts to protect the victims' rights as provided by law.

(ii) If a victim entitled to restitution that has been treated as abandoned property under § 11–614 of the Criminal Procedure Article is located after the money has been distributed under this paragraph, the Administrator shall reduce the next distribution to the State Victims of Crime Fund by the amount recovered by the victim.

(4) For each of fiscal years 2024 through 2027, after making the distributions required under paragraphs (2) and (3) of this subsection, the Administrator shall distribute \$14,000,000 from the remaining net funds to the Access to Counsel in Evictions Special Fund under § 8–909 of the Real Property Article.

**(5) After deducting all costs incurred in administering this title from the remaining net funds the Administrator shall distribute \$35,000,000 to the various Register of Wills Offices throughout the State of Maryland.**

**(6) After making the distributions required under paragraphs (2), (3), (4) and (5) of this subsection, the Administrator shall distribute the remaining net funds not retained under paragraph (1) of this subsection to the General Fund of the State.**

(b) (1) Before making the distribution, the Administrator shall record the name and last known address, if any, of the owners of funds so distributed and the type of property which the funds distributed represent.

(2) The record shall be available for public inspection during reasonable business hours by any person who claims a legal interest in any property held by the Administrator, provided that the person gives prior notice to the Administrator.