



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 390 (as reported without amendment)
Sponsor: Senator Joanne G. Emmons
Committee: Finance

CONTENT

The bill would repeal the Michigan Code of Escheats and create the "Uniform Unclaimed Property Act" to specify the conditions under which property would be considered abandoned; create a general presumption of abandonment of unclaimed property after five years; provide for public notice of abandoned property; provide for the disposition, sale, reclaiming, and reimbursement for sale of abandoned property; make the State Treasurer the successor to the State Board of Escheats and specify his or her powers concerning abandoned property; and specify penalties for violations of the bill.

The bill would take effect January 1, 1996.

Legislative Analyst: G. Towne

FISCAL IMPACT

Senate Bills 390 through 396 would have minimal fiscal impact on State and local governments. By more efficiently handling abandoned or unclaimed property, costs would be reduced. These bills would reduce State payments, by an annual amount of approximately \$900,000, to counties and to probate courts, which would no longer be involved with escheat lawsuits. By eliminating the local unit's responsibilities with abandoned or unclaimed property, the bills would require the Department of Treasury to take on those duties and incur minimal costs.

Minor changes in the amount of time certain categories of property are considered abandoned and escheated to the State would have minimal impact on the escheat revenue. Many entities affected by escheat laws presently follow the smaller time periods these bills would implement.

Date Completed: 3-22-95

Fiscal Analyst: R. Ross

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.