

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bill 1369 (Substitute S-1 as reported)  
Sponsor: Senator Joanne G. Emmons  
Committee: Finance

### **CONTENT**

The bill would amend the Uniform Unclaimed Property Act to prohibit the State Treasurer and the Department of Treasury from hiring, employing, or contracting with third party auditors to find abandoned property or investigate a property holder; and reduce the minimum period of time that a holder must maintain certain records.

The Act specifies the conditions under which property is considered abandoned, creates a general presumption of abandonment of unclaimed property after five years, provides for public notice of abandoned property, and provides for the disposition, sale, reclaiming, and reimbursement for sale of abandoned property. In general, all property that is held, issued, or owing in the ordinary course of a holder's business and remains unclaimed by the owner for more than five years after it becomes payable or distributable, is presumed abandoned. "Holder" means a trustee or a person who possesses property belonging to another or is indebted to another on an obligation. Abandoned property is subject to the custody of the State as provided in the Act.

Under the Act, a person holding property presumed abandoned must send certain reports to the State Treasurer regarding the property. A holder who is required to file a report as to any property for which it has obtained the last known address of the owner, must maintain a record of the name and address for 10 years after the property becomes reportable. The bill would reduce the time period to five years.

MCL 567.252 et al.

Legislative Analyst: George Towne

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 11-18-02

Fiscal Analyst: Jessica Runnels