

STATE OF NEW YORK

10118

IN ASSEMBLY

March 16, 2018

Introduced by M. of A. WEINSTEIN -- (at request of the State Comptroller) -- read once and referred to the Committee on Ways and Means

AN ACT to amend the abandoned property law, in relation to conforming language relating to the preliminary reporting requirement for unclaimed amounts of money or other property; precluding abandonment based upon undeliverable mail; authorizing the accrual of interest on life insurance policies after payment of abandoned property to the state comptroller; increasing the minimum amount of an abandoned property claim; increasing the threshold for certified mailings; recognizing electronic contact by an owner as written contact; to amend the abandoned property law and the surrogate's court procedure act, in relation to authorizing the payment of interest on monies received directly from surrogate's court and held by the state comptroller as abandoned property; and to amend the state finance law, in relation to annual reports to the state comptroller of custodian of court funds

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Paragraph (a) of subdivision 3 of section 402 of the abandoned property law is amended to read as follows:

2
3 (a) that a report of unclaimed amounts of money or other property held
4 or owing by it [~~has been made to~~] will be prepared for the state comptroller and that a list of the names of the person or persons appearing
5 from the records of such corporation to be entitled thereto is on file
6 and open to public inspection at its principal office or place of business
7 in any city, village or county where any such abandoned property is
8 payable;

9
10 § 2. Paragraph (c) of subdivision 3 of section 501 of the abandoned
11 property law, as amended by chapter 61 of the laws of 1989, is amended
12 to read as follows:

13 [~~(c) Notice regarding such wages has been sent by the corporation or~~
14 ~~fiduciary, via first class mail, to such resident at his last known~~
15 ~~address and such notice has been returned to the corporation or fiduciary~~
16 ~~by the postal authorities for inability to locate such resident.~~]

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 § 3. Subdivision 1-a of section 1315 of the abandoned property law, as
2 amended by section 2 of part II of chapter 57 of the laws of 2010, is
3 amended to read as follows:

4 1-a. Any amount representing outstanding checks issued on and after
5 July first, nineteen hundred seventy-four [~~in payment for goods or for~~
6 ~~services, and owing in this state,~~] or held by or on behalf of any
7 corporation (other than a public corporation), joint stock company,
8 individual, association of two or more individuals, committee or busi-
9 ness trust in this state, and which has remained unclaimed by the owner
10 of such amount for three years, shall be deemed abandoned property.

11 § 4. Paragraph (a) of subdivision 1 of section 1405 of the abandoned
12 property law, as amended by section 13 of part R of chapter 85 of the
13 laws of 2002, is amended to read as follows:

14 (a) Notwithstanding any other provision of law, no owner of abandoned
15 property shall be entitled to receive interest on account of such aban-
16 doned property from and after the date a payment of such abandoned prop-
17 erty is hereafter made to the state comptroller pursuant to this chapter
18 or any law relating to abandoned property, whether or not [~~he~~] the owner
19 was entitled to interest on such property prior to such date, except
20 that interest at the overpayment rate set by the commissioner of taxa-
21 tion and finance pursuant to subsection (j) of section six hundred nine-
22 ty-seven of the tax law, less one percentage point, shall accrue to
23 abandoned property hereafter paid to the state comptroller under the
24 following provisions of this chapter, for the first five years such
25 property is held by [~~him~~] the state comptroller:

26 (i) paragraph (a) of subdivision one of section three hundred of this
27 chapter; or

28 (ii) subdivision one of section four hundred of this chapter; or

29 (iii) paragraph (a) of subdivision one of section six hundred of this
30 chapter; or

31 (iv) paragraph (c) of subdivision one of section seven hundred of this
32 chapter; or

33 (v) subdivision one of section ten hundred of this chapter; or

34 (vi) subdivision one of section two thousand two hundred twenty-two of
35 the surrogate's court procedure act.

36 § 5. The opening paragraph of paragraph (a) of subdivision 1 of
37 section 1406 of the abandoned property law, as amended by chapter 815 of
38 the laws of 1963, is amended to read as follows:

39 Claim may be filed with the state comptroller for any abandoned prop-
40 erty amounting to over [~~three~~] twenty dollars, including any claim to a
41 security delivered to the state comptroller on or after November first,
42 nineteen hundred ninety-one, with a fair market value exceeding twenty
43 dollars at the time of claim heretofore paid to the state or hereafter
44 paid or delivered to the state comptroller pursuant to this chapter,
45 except abandoned property heretofore paid to the state pursuant to

46 § 6. Subdivision 2 of section 1422 of the abandoned property law, as
47 added by section 6 of part P of chapter 62 of the laws of 2003, is
48 amended to read as follows:

49 2. Where notice is required by subdivision one of this section, each
50 holder shall, with respect to property listed in such report whose value
51 is in excess of [~~one~~] three thousand dollars, send a second written
52 notice to the owner by certified mail, return receipt requested not less
53 than sixty days prior to the applicable reporting date for such
54 unclaimed property, provided that no notice pursuant to this subdivision
55 shall be required where: (a) such holder has received a claim from the

1 owner of the property; or (b) the original mailing was returned as unde-
2 liverable.

3 § 7. The abandoned property law is amended by adding a new section
4 1423 to read as follows:

5 § 1423. Electronic contact. Notwithstanding any other provisions of
6 this chapter, the comptroller shall promulgate rules and regulations
7 establishing when an electronic communication from the apparent owner of
8 amounts or securities as defined in this chapter shall constitute "writ-
9 ten contact" for purposes of tolling the dormancy period.

10 § 8. Subdivision 2 of section 2222 of the surrogate's court procedure
11 act, as amended by chapter 125 of the laws of 1972, is amended to read
12 as follows:

13 2. The court or the supreme court upon the petition of a person claim-
14 ing to be so entitled and upon at least 14 days' notice, accompanied
15 with a copy of the petition, to the attorney general, the state comp-
16 troller and the public administrator of the county or if there be none,
17 the county treasurer, may by a reference or by directing the trial of an
18 issue by a jury or otherwise, ascertain the rights of the persons inter-
19 ested and grant an order directing the payment of any money which
20 appears to be due to the claimant, [~~but without interest and~~] after
21 deducting all expenses incurred by the state with respect thereto.

22 § 9. Section 184 of the state finance law, as amended by chapter 655
23 of the laws of 1978, is amended to read as follows:

24 § 184. Annual reports to comptroller of custodian of court funds.
25 Every treasurer or financial officer who has [~~in his charge or~~]
26 possession of or [~~under his~~] control of, or who keeps a record of money,
27 bonds, stocks, mortgages or any other securities or property deposited
28 into court and held by [~~him~~] such officer, must, once in each year, make
29 a report to the state comptroller at the time and in the form and manner
30 which [~~he~~] the comptroller may prescribe, containing a true statement of
31 [~~his~~] the accounts for the preceding year or from the time of the last
32 report. This report must be verified by the oath of such officer, and
33 must be accompanied by the certificate of the proper officer of each
34 bank or trust company, stating the exact amount on deposit with such
35 corporation. Every savings bank, bank or trust company having in its
36 possession, pursuant to an order of a court of record, money, bonds,
37 stocks, mortgages or any other securities or property which were not
38 first deposited in court and delivered to a county treasurer, financial
39 officer or commissioner of finance of the city of New York, must, once
40 in each year, make a report to the comptroller at such time as [~~he~~] the
41 comptroller shall prescribe, stating separately for each case the name
42 of the court, the title of the action or proceeding, the date of the
43 receipt, from whom received, for whom received, the amount of money, if
44 any, a description of the securities or other property, each addition of
45 interest and each change of investment, the amount so held at the date
46 of report, the date and description of each other directing payment and
47 the dates and amounts of payments thereunder and to whom made. Every
48 officer, or bank or trust company mentioned in this section, shall
49 furnish any additional report to the comptroller or to the court at such
50 time and in such detail as may be required. The comptroller shall not
51 disclose any amounts listed on any report, except that the aggregate
52 amount of funds reported in any report may be disclosed.

53 § 10. This act shall take effect immediately.