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:

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

(a) that a report of unclaimed amounts of money or other property held 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 from the records of such corporation to be entitled thereto is on file and open to public inspection at its principal office or place of business in any city, village or county where any such abandoned property is payable;

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

[~~(c) Notice regarding such wages has been sent by the corporation or fiduciary, via first class mail, to such resident at his last known address and such notice has been returned to the corporation or fiduciary 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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§ 3. Subdivision 1-a of section 1315 of the abandoned property law, as amended by section 2 of part II of chapter 57 of the laws of 2010, is amended to read as follows:

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

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

(a) Notwithstanding any other provision of law, no owner of abandoned property shall be entitled to receive interest on account of such abandoned property from and after the date a payment of such abandoned property is hereafter made to the state comptroller pursuant to this chapter or any law relating to abandoned property, whether or not [~~he~~] **the owner** was entitled to interest on such property prior to such date, except that interest at the overpayment rate set by the commissioner of taxation and finance pursuant to subsection (j) of section six hundred ninety-seven of the tax law, less one percentage point, shall accrue to abandoned property hereafter paid to the state comptroller under the following provisions of this chapter, for the first five years such property is held by [~~him~~] **the state comptroller**:

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

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

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

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

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

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

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

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

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

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

owner of the property; or (b) the original mailing was returned as undeliverable.

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

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

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

2. The court or the supreme court upon the petition of a person claiming to be so entitled and upon at least 14 days' notice, accompanied with a copy of the petition, to the attorney general, the state comptroller and the public administrator of the county or if there be none, the county treasurer, may by a reference or by directing the trial of an issue by a jury or otherwise, ascertain the rights of the persons interested and grant an order directing the payment of any money which appears to be due to the claimant, [~~but without interest and~~] after deducting all expenses incurred by the state with respect thereto.

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

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

§ 10. This act shall take effect immediately.