

UNCLAIMED PROPERTY ACT AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lyle W. Hillyard

House Sponsor: V. Lowry Snow

LONG TITLE

General Description:

This bill amends provisions of the Revised Uniform Unclaimed Property Act.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ subjects a stored-value card and a payroll card to the Revised Uniform Unclaimed Property Act;
- ▶ provides a time period after which a stored-value card is considered unclaimed property;
- ▶ exempts a 529 educational savings account from certain provisions;
- ▶ addresses the State Tax Commission's responsibilities with regards to unclaimed property; and
- ▶ makes conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

31A-22-1903, as last amended by Laws of Utah 2017, Chapter 371



- 28 **67-4a-102**, as repealed and reenacted by Laws of Utah 2017, Chapter 371
- 29 **67-4a-201**, as repealed and reenacted by Laws of Utah 2017, Chapter 371
- 30 **67-4a-204**, as repealed and reenacted by Laws of Utah 2017, Chapter 371
- 31 **67-4a-503**, as enacted by Laws of Utah 2017, Chapter 371

33 *Be it enacted by the Legislature of the state of Utah:*

34 Section 1. Section **31A-22-1903** is amended to read:

35 **31A-22-1903. Insurer conduct.**

36 (1) An insurer shall perform a comparison of its insureds' in-force policies, contracts,
 37 and retained asset accounts against a death master file, on at least a semi-annual basis, by using
 38 the full death master file once and thereafter using the death master file update files for future
 39 comparisons to identify potential matches of its insureds. For those potential matches
 40 identified as a result of a death master file match:

41 (a) The insurer shall within 90 days of a death master file match:

42 (i) complete a good faith effort, that the insurer documents, to confirm the death of the
 43 insured or retained asset account holder against other available records and information; and

44 (ii) determine whether benefits are due in accordance with the applicable policy or
 45 contract, and if benefits are due in accordance with the applicable policy or contract:

46 (A) use good faith efforts, that the insurer documents, to locate the beneficiary or
 47 beneficiaries; and

48 (B) provide the appropriate claims forms or instructions to the beneficiary or
 49 beneficiaries to make a claim including the need to provide an official death certificate, if
 50 applicable under the policy or contract.

51 (b) With respect to group life insurance, an insurer shall confirm the possible death of
 52 an insured when the insurer maintains at least the following information of those covered under
 53 a policy or certificate:

54 (i) social security number, or name and date of birth;

55 (ii) beneficiary designation information;

56 (iii) coverage eligibility;

57 (iv) benefit amount; and

58 (v) premium payment status.

59 (c) An insurer shall implement procedures to account for:

60 (i) initials used in lieu of a first or middle name, use of a middle name, compound first
61 and middle names, and interchanged first and middle names;

62 (ii) compound last names, hyphens, and blank spaces or apostrophes in last names; and

63 (iii) transposition of the "month" and "date" portions of the date of birth.

64 (d) To the extent permitted by law, the insurer may disclose minimum necessary
65 personal information about the insured or beneficiary to a person who the insurer reasonably
66 believes may be able to assist the insurer locate the beneficiary or a person otherwise entitled to
67 payment of the claims proceeds.

68 (2) (a) An insurer that has not engaged in asymmetric conduct before July 1, 2015, is
69 not required to comply with the requirements of this section with respect to a policy, annuity,
70 or retained asset account issued or delivered before July 1, 2015.

71 (b) Notwithstanding Subsection (2)(a), an insurer, regardless of whether it has engaged
72 in asymmetric conduct, shall comply with the requirements of this section for a policy, annuity,
73 or retained asset account issued on or after July 1, 2015.

74 (3) An insurer or the insurer's service provider may not charge a beneficiary or other
75 authorized representative for fees or costs associated with a death master file search or
76 verification of a death master file match conducted pursuant to this section.

77 (4) The benefits from a policy, contract, or retained asset account, plus any applicable
78 accrued contractual interest shall first be payable to the designated beneficiaries or owners and
79 in the event said beneficiaries or owners can not be found, shall be transferred to the state as
80 unclaimed property pursuant to Subsection [67-4a-201\[\(7\)\]\(8\)](#). Interest payable under Section
81 [31A-22-428](#) may not be payable as unclaimed property under Subsection [67-4a-201\[\(7\)\]\(8\)](#).

82 (5) An insurer shall notify the administrator upon the expiration of the statutory
83 holding period under Subsection [67-4a-201\[\(7\)\]\(8\)](#) that:

84 (a) a policy, contract beneficiary, or retained asset account holder has not submitted a
85 claim with the insurer; and

86 (b) the insurer has complied with Subsection (1) and has been unable, after good faith
87 efforts documented by the insurer, to contact the retained asset account holder, beneficiary, or
88 beneficiaries.

89 (6) Upon such notice, an insurer shall immediately submit the unclaimed policy or

90 contract benefits or unclaimed retained asset accounts, plus any applicable accrued interest, to
91 the administrator.

92 Section 2. Section **67-4a-102** is amended to read:

93 **67-4a-102. Definitions.**

94 As used in this chapter:

95 (1) "Administrator" means the deputy state treasurer assigned by the state treasurer.

96 (2) (a) "Administrator's agent" means a person with which the administrator contracts
97 to conduct an examination under Part 10, Verified Report of Property and Examination of
98 Records, on behalf of the administrator.

99 (b) "Adminstrator's agent" includes an independent contractor of the person and each
100 individual participating in the examination on behalf of the person or contractor.

101 (3) "Apparent owner" means a person whose name appears on the records of a holder
102 as the owner of property held, issued, or owing by the holder.

103 (4) (a) "Bank draft" means a check, draft, or similar instrument on which a banking or
104 financial organization is directly liable.

105 (b) "Bank draft" includes:

106 (i) a cashier's check; and

107 (ii) a certified check.

108 (c) "Bank draft" does not include:

109 (i) a traveler's check; or

110 (ii) a money order.

111 (5) "Banking organization" means:

112 (a) a bank;

113 (b) an industrial bank;

114 (c) a trust company;

115 (d) a savings bank; or

116 (e) any organization defined by other law as a bank or banking organization.

117 (6) "Business association" means a corporation, joint stock company, investment
118 company other than an investment company registered under the Investment Company Act of
119 1940, partnership, unincorporated association, joint venture, limited liability company,
120 business trust, trust company, land bank, safe deposit company, safekeeping depository,

121 financial organization, banking organization, insurance company, federally chartered entity,
122 utility, sole proprietorship, or other business entity, whether or not for profit.

123 (7) "Cashier's check" means a check that:

124 (a) is drawn by a banking organization on itself;

125 (b) is signed by an officer of the banking organization; and

126 (c) authorizes payment of the amount shown on the check's face to the payee.

127 (8) "Class action" means a legal action:

128 (a) certified by the court as a class action; or

129 (b) treated by the court as a class action without being formally certified as a class
130 action.

131 (9) "Confidential information" means records, reports, and information that is
132 confidential under Section [67-4a-1402](#).

133 (10) (a) "Deposit in a financial institution" means a demand, savings, or matured time
134 deposit with a banking or financial organization.

135 (b) "Deposit in a financial institution" includes:

136 (i) any interest or dividends on a deposit; and

137 (ii) a deposit that is automatically renewable.

138 (11) "Domicile" means:

139 (a) for a corporation, the state of the corporation's incorporation;

140 (b) for a business association other than a corporation, whose formation requires a
141 filing with a state, the state of the business association's filing;

142 (c) for a federally chartered entity or an investment company registered under the
143 Investment Company Act of 1940, the state of the entity's or company's home office; and

144 (d) for any other holder, the state of the holder's principal place of business.

145 (12) "Electronic" means relating to technology having electrical, digital, magnetic,
146 wireless, optical, electromagnetic, or similar capabilities.

147 (13) "Electronic mail" means a communication by electronic means that is
148 automatically retained and stored and may be readily accessed or retrieved.

149 (14) "Financial organization" means:

150 (a) a savings and loan association; or

151 (b) a credit union.

152 (15) (a) "Game-related digital content" means digital content that exists only in an
153 electronic game or electronic-game platform.

154 (b) "Game-related digital content" includes:

155 (i) game-play currency, including a virtual wallet, even if denominated in United States
156 currency; and

157 (ii) the following, if for use or redemption only within the game or platform or another
158 electronic game or electronic-game platform:

159 (A) points sometimes referred to as gems, tokens, gold, and similar names; and

160 (B) digital codes.

161 (c) "Game-related digital content" does not include an item that the issuer:

162 (i) permits to be redeemed for use outside a game or platform for:

163 (A) money; or

164 (B) goods or services that have more than minimal value; or

165 (ii) otherwise monetizes for use outside a game or platform.

166 (16) (a) "Gift card" means a ~~[payment device such as a plastic card]~~ record that:

167 ~~[(a)]~~ (i) is usable at:

168 ~~[(i)]~~ (A) a single merchant; or

169 ~~[(ii)]~~ (B) ~~[an affiliated]~~ a specified group of merchants; ~~[or]~~

170 ~~[(iii) multiple, unaffiliated merchants;]~~

171 ~~[(b) contains a means for the electronic storage of information including:]~~

172 ~~[(i) a microprocessor chip;]~~

173 ~~[(ii) a magnetic stripe; or]~~

174 ~~[(iii) a bar code;]~~

175 ~~[(c)]~~ (ii) is prefunded before ~~[it]~~ the record is used~~[-, whether or not money may be~~
176 ~~added to the payment device after it is used];~~ and

177 ~~[(d)]~~ (iii) ~~[is redeemable for]~~ can be used for purchases of goods or services.

178 (b) "Gift Card" includes a prepaid commercial mobile radio service as defined in 47

179 C.F.R. Sec. 20.3.

180 (17) "Holder" means a person obligated to hold for the account of, or to deliver or pay
181 to, the owner property subject to this chapter.

182 (18) "Insurance company" means an association, corporation, or fraternal or mutual

183 benefit organization, whether or not for profit, engaged in the business of providing life
184 endowments, annuities, or insurance, including:

- 185 (a) accident insurance;
- 186 (b) burial insurance;
- 187 (c) casualty insurance;
- 188 (d) credit life insurance;
- 189 (e) contract performance insurance;
- 190 (f) dental insurance;
- 191 (g) disability insurance;
- 192 (h) fidelity insurance;
- 193 (i) fire insurance;
- 194 (j) health insurance;
- 195 (k) hospitalization insurance;
- 196 (l) illness insurance;
- 197 (m) life insurance, including endowments and annuities;
- 198 (n) malpractice insurance;
- 199 (o) marine insurance;
- 200 (p) mortgage insurance;
- 201 (q) surety insurance;
- 202 (r) wage protection insurance; and
- 203 (s) worker compensation insurance.

204 (19) "Last known address" means a description of the location of the apparent owner
205 sufficient for the purpose of the delivery of mail.

206 (20) (a) "Loyalty card" means a record given without direct monetary consideration
207 under an award, reward, benefit, loyalty, incentive, rebate, or promotional program that may be
208 used or redeemed only to obtain goods or services or a discount on goods or services.

209 (b) "Loyalty card" does not include a record that may be redeemed for money or
210 otherwise monetized by the issuer.

211 (21) (a) "Mineral" means any substance that is ordinarily and naturally considered a
212 mineral, regardless of the depth at which the substance is found.

213 (b) "Mineral" includes:

- 214 (i) building stone;
- 215 (ii) cement material;
- 216 (iii) chemical raw material;
- 217 (iv) coal;
- 218 (v) colloidal and other clay;
- 219 (vi) fissionable and nonfissionable ore;
- 220 (vii) gas;
- 221 (viii) gemstone;
- 222 (ix) gravel;
- 223 (x) lignite;
- 224 (xi) oil;
- 225 (xii) oil shale;
- 226 (xiii) other gaseous liquid or solid hydrocarbon;
- 227 (xiv) road material;
- 228 (xv) sand;
- 229 (xvi) steam and other geothermal resources;
- 230 (xvii) sulphur; and
- 231 (xviii) uranium.
- 232 (22) (a) "Mineral proceeds" means an amount payable:
- 233 (i) for extraction, production, or sale of minerals; or
- 234 (ii) for the abandonment of an interest in minerals.
- 235 (b) "Mineral proceeds" includes an amount payable:
- 236 (i) for the acquisition and retention of a mineral lease, including a bonus, royalty,
- 237 compensatory royalty, shut-in royalty, minimum royalty, or delay rental;
- 238 (ii) for the extraction, production, or sale of minerals, including a net revenue interest,
- 239 royalty, overriding royalty, extraction payment, or production payment; and
- 240 (iii) under an agreement or option, including a joint-operating agreement, unit
- 241 agreement, pooling agreement, and farm-out agreement.
- 242 (23) (a) "Money order" means a payment order for a specified amount of money.
- 243 (b) "Money order" includes an express money order and a personal money order on
- 244 which the remitter is the purchaser.

245 (c) "Money order" does not include a cashier's check.

246 (24) "Municipal bond" means a bond or evidence of indebtedness issued by a
247 municipality or other political subdivision of a state.

248 (25) (a) "Nonfreely transferable security" means a security that cannot be delivered to
249 the administrator by the Depository Trust Clearing Corporation or a similar custodian of
250 securities providing post-trade clearing and settlement services to financial markets or cannot
251 be delivered because there is no agent to effect transfer.

252 (b) "Nonfreely transferable security" includes a worthless security.

253 (26) (a) "Owner" means a person that has a legal, beneficial, or equitable interest in
254 property subject to this chapter or the person's legal representative when acting on behalf of the
255 owner.

256 (b) "Owner" includes:

257 (i) a depositor, for a deposit;

258 (ii) a beneficiary, for a trust other than a deposit in trust;

259 (iii) a creditor, claimant, or payee, for other property; and

260 (iv) the lawful bearer of a record that may be used to obtain money, a reward, or a thing
261 of value.

262 (27) "Payroll card" means a record that evidences a payroll card account as defined in
263 12 C.F.R. Part 1005, Electronic Fund Transfers (Regulation E).

264 [~~27~~] (28) "Person" means:

265 (a) an individual;

266 (b) an estate;

267 (c) a business association;

268 (d) a public corporation;

269 (e) a government entity;

270 (f) an agency;

271 (g) a trust;

272 (h) an instrumentality; or

273 (i) any other legal or commercial entity.

274 [~~28~~] (29) (a) "Property" means tangible property described in Section [67-4a-205](#) or a
275 fixed and certain interest in intangible property held, issued, or owed in the course of a holder's

276 business or by a government entity.

277 (b) "Property" includes:

278 (i) all income from or increments to the property;

279 (ii) property referred to as or evidenced by:

280 (A) money, virtual currency, interest, or a dividend, check, draft, or deposit;

281 (B) a credit balance, customer's overpayment, stored-value card, payroll card, security
282 deposit, refund, credit memorandum, unpaid wage, unused ticket for which the issuer has an
283 obligation to provide a refund, mineral proceeds, or unidentified remittance; and

284 (C) a security except for:

285 (I) a worthless security; or

286 (II) a security that is subject to a lien, legal hold, or restriction evidenced on the records
287 of the holder or imposed by operation of law, if the lien, legal hold, or restriction restricts the
288 holder's or owner's ability to receive, transfer, sell, or otherwise negotiate the security;

289 (iii) a bond, debenture, note, or other evidence of indebtedness;

290 (iv) money deposited to redeem a security, make a distribution, or pay a dividend;

291 (v) an amount due and payable under an annuity contract or insurance policy;

292 (vi) an amount distributable from a trust or custodial fund established under a plan to
293 provide health, welfare, pension, vacation, severance, retirement, death, stock purchase,
294 profit-sharing, employee-savings, supplemental-unemployment insurance, or a similar benefit;
295 and

296 (vii) an amount held under a preneed funeral or burial contract, other than a contract
297 for burial rights or opening and closing services, where the contract has not been serviced
298 following the death or the presumed death of the beneficiary.

299 (c) "Property" does not include:

300 (i) property held in a plan described in Section 529A, Internal Revenue Code;

301 (ii) game-related digital content;

302 (iii) a loyalty card;

303 (iv) an in-store credit for returned merchandise; or

304 (v) a gift card.

305 [~~(29)~~] (30) "Putative holder" means a person believed by the administrator to be a
306 holder, until:

307 (a) the person pays or delivers to the administrator property subject to this chapter; or
 308 (b) the administrator or a court makes a final determination that the person is or is not a
 309 holder.

310 ~~[(30)]~~ (31) "Record" means information that is inscribed on a tangible medium or that
 311 is stored in an electronic or other medium and is retrievable in perceivable form.

312 ~~[(31)]~~ (32) "Security" means:

313 (a) a security as defined in Revised Article 8 of the Uniform Commercial Code; or
 314 (b) a security entitlement as defined in Revised Article 8 of the Uniform Commercial
 315 Code, including a customer security account held by a registered broker-dealer, to the extent
 316 the financial assets held in the security account are not:

317 (i) registered on the books of the issuer in the name of the person for which the
 318 broker-dealer holds the assets;

319 (ii) payable to the order of the person;

320 (iii) specifically endorsed to the person; or

321 (iv) an equity interest in a business association not included in this Subsection ~~[(31)]~~

322 (32).

323 ~~[(32)]~~ (33) "Sign" means, with present intent to authenticate or adopt a record:

324 (a) to execute or adopt a tangible symbol; or

325 (b) to attach to or logically associate with the record an electronic symbol, sound, or
 326 process.

327 ~~[(33)]~~ (34) "State" means a state of the United States, the District of Columbia, the
 328 Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or insular
 329 possession subject to the jurisdiction of the United States.

330 (35) (a) "Stored-value card" means a reloadable or non-reloadable record:

331 (i) with a monetary value or amount that can be:

332 (A) used to purchase or otherwise acquire goods or services;

333 (B) used to obtain cash; or

334 (C) redeemed for cash value; and

335 (ii) of which the issuer or the issuer's agent has a record of the name and last known

336 address of the apparent owner and the address is in the state of Utah.

337 (b) "Stored-value card" does not include:

338 (i) a record described in Subsection (35)(a) that is purchased ~~Ŝ~~→ **or acquired** ←~~Ŝ~~ by an
 338a intermediary or
 339 other party for resale, ~~Ŝ~~→ **for sale on consignment**, ←~~Ŝ~~ or as a gift to the card user, when the
 339a issuer does not know the name and
 340 address of the ultimate buyer or recipient of the record;

- 341 (ii) a loyalty card;
 342 (iii) a gift card; or
 343 (iv) game-related digital content.

344 [~~34~~] (36) "Utility" means a person that owns or operates for public use a plant,
 345 equipment, real property, franchise, or license for:

- 346 (a) the transmission of communications or information;
 347 (b) the production, storage, transmission, sale, delivery, or furnishing of electricity,
 348 water, steam, or gas; or
 349 (c) the provision of sewage or septic services, or trash, garbage, or recycling disposal.

350 [~~35~~] (37) (a) "Virtual currency" means a digital representation of value used as a
 351 medium of exchange, unit of account, or store of value, which does not have legal tender status
 352 recognized by the United States.

- 353 (b) "Virtual currency" does not include:
 354 (i) the software or protocols governing the transfer of the digital representation of
 355 value;
 356 (ii) game-related digital content;
 357 (iii) a loyalty card;
 358 (iv) membership rewards; or
 359 (v) a gift card.

360 [~~36~~] (38) "Worthless security" means a security whose cost of liquidation and
 361 delivery to the administrator would exceed the value of the security on the date a report is due
 362 under this chapter.

363 Section 3. Section **67-4a-201** is amended to read:

364 **67-4a-201. When property presumed abandoned.**

365 Subject to Section **67-4a-208**, the following property is presumed abandoned if the
 366 property is unclaimed by the apparent owner during the period specified below:

- 367 (1) a traveler's check, 15 years after issuance;
 368 (2) a money order, seven years after issuance;

369 (3) the unredeemed balance of a stored-value card sold or issued on or after May 8,
370 2018, three years after the date of the last indication of interest in the property by the apparent
371 owner;

372 ~~[(3)]~~ (4) a state or municipal bond, bearer bond, or original-issue-discount bond, three
373 years after the earliest of the date the bond matures or is called or the obligation to pay the
374 principal of the bond arises;

375 ~~[(4)]~~ (5) a debt of a business association, three years after the obligation to pay arises;

376 ~~[(5)]~~ (6) a demand, savings, or time deposit, including a deposit that is automatically
377 renewable, three years after the earlier of maturity or the date of the last indication of interest in
378 the property by the apparent owner, except a deposit that is automatically renewable is
379 considered matured on the deposit's initial date of maturity unless the apparent owner
380 consented in a record on file with the holder to renewal at or about the time of the renewal;

381 ~~[(6)]~~ (7) money or a credit owed to a customer as a result of a retail business
382 transaction, other than in-store credit for returned merchandise, three years after the obligation
383 arose;

384 ~~[(7)]~~ (8) an amount owed by an insurance company on a life or endowment insurance
385 policy or an annuity contract that has matured or terminated, three years after the obligation to
386 pay arose under the terms of the policy or contract or, if a policy or contract for which an
387 amount is owed on proof of death has not matured, by proof of the death of the insured or
388 annuitant, as follows:

389 (a) with respect to an amount owed on a life or endowment insurance policy, the earlier
390 of:

391 (i) three years after the policy insurer validates knowledge of the death of the insured;

392 or

393 (ii) three years after the insured has attained, or would have attained if living, the
394 limiting age under the mortality table on which the reserve for the policy is based; and

395 (b) with respect to an amount owed on an annuity contract, three years after the date
396 the annuity contract insurer validates knowledge of the death of the annuitant;

397 ~~[(8)]~~ (9) property distributable by a business association in the course of dissolution,
398 one year after the property becomes distributable;

399 ~~[(9)]~~ (10) property held by a court, including property received as proceeds of a class

400 action, one year after the property becomes distributable;

401 ~~[(10)]~~ (11) property held by a government or governmental subdivision, agency, or
402 instrumentality, including municipal bond interest and unredeemed principal under the
403 administration of a paying agent or indenture trustee, one year after the property becomes
404 distributable;

405 ~~[(11)]~~ (12) wages, commissions, bonuses, or reimbursements to which an employee is
406 entitled, or other compensation for personal services, one year after the amount becomes
407 payable;

408 ~~[(12)]~~ (13) a deposit or refund owed to a subscriber by a utility, one year after the
409 deposit or refund becomes payable; and

410 ~~[(13)]~~ (14) property not specified in this section or Sections 67-4a-202 through
411 67-4a-206, the earlier of three years after the owner first has a right to demand the property or
412 the obligation to pay or distribute the property arises.

413 Section 4. Section 67-4a-204 is amended to read:

414 **67-4a-204. When custodial account for minor presumed abandoned.**

415 (1) Subject to Section 67-4a-208, and except as provided in Subsection (5), property
416 held in an account established under a state's Uniform Gifts to Minors Act or Uniform
417 Transfers to Minors Act is presumed abandoned if the property is unclaimed by or on behalf of
418 the minor on whose behalf the account was opened three years after the later of:

419 (a) except as in Subsection (1)(b), the date a communication sent by the holder by
420 first-class United States mail to the custodian of the minor on whose behalf the account was
421 opened is returned undelivered to the holder by the United States Postal Service;

422 (b) if communication is re-sent within 30 days after the date the first communication
423 under Subsection (1)(a) is returned undelivered, the date the second communication was
424 returned undelivered; or

425 (c) the date on which the custodian is required to transfer the property to the minor or
426 the minor's estate in accordance with the Uniform Gifts to Minors Act or Uniform Transfers to
427 Minors Act of the state in which the account was opened.

428 (2) (a) Subject to Subsection (2)(b), if the holder does not send communications to the
429 custodian of the minor on whose behalf an account described in Subsection (1) was opened by
430 first-class United States mail on at least an annual basis, the holder shall attempt to confirm the

431 custodian's interest in the property by sending the custodian an electronic mail communication
432 not later than two years after the custodian's last indication of interest in the property.

433 (b) The holder shall promptly attempt to contact the custodian by first-class United
434 States mail if:

435 (i) the holder does not have information needed to send the custodian an electronic
436 mail communication or the holder believes that the custodian's electronic mail address in the
437 holder's records is not valid;

438 (ii) the holder receives notification that the electronic mail communication was not
439 received; or

440 (iii) the custodian does not respond to the electronic mail communication within 30
441 days after the communication was sent.

442 (3) If first-class United States mail sent under Subsection (2) is returned undelivered to
443 the holder by the United States Postal Service, the property is presumed abandoned three years
444 after the later of:

445 (a) the date a second consecutive communication to contact the custodian by first-class
446 United States mail is returned to the holder undelivered by the United States Postal Service; or

447 (b) the date established by Subsection (1)(c).

448 (4) When the property in the account described in Subsection (1) is transferred to the
449 minor on whose behalf an account was opened or to the minor's estate, the property in the
450 account is no longer subject to this section.

451 (5) This section does not apply to a qualified tuition program described in 26 U.S.C.
452 Sec. 529.

453 Section 5. Section **67-4a-503** is amended to read:

454 **67-4a-503. Notice by administrator.**

455 (1) The administrator shall give notice to an apparent owner that property presumed
456 abandoned and that appears to be owned by the apparent owner is held by the administrator
457 under this chapter.

458 (2) In providing notice under Subsection (1), the administrator shall:

459 (a) except as otherwise provided in Subsection (2)(b), send written notice by first-class
460 United States mail to each apparent owner of property valued at \$50 or more held by the
461 administrator, unless the administrator determines that a mailing by first-class United States

462 mail would not be received by the apparent owner, and, in the case of a security held in an
463 account for which the apparent owner had consented to receiving electronic mail from the
464 holder, send notice by electronic mail if the electronic mail address of the apparent owner is
465 known to the administrator instead of by first-class United States mail; or

466 (b) send the notice to the apparent owner's electronic mail address if the administrator
467 does not have a valid United States mail address for an apparent owner, but has an electronic
468 mail address that the administrator does not know to be invalid.

469 (3) In addition to the notice under Subsection (2), the administrator shall publish every
470 12 months in at least one English language newspaper of general circulation in this state notice
471 of property held by the administrator, which shall include:

472 (a) the total value of property received by the administrator during the preceding
473 12-month period, taken from the reports under Section [67-4a-401](#);

474 (b) the total value of claims paid by the administrator during the preceding 12-month
475 period;

476 (c) the Internet web address of the unclaimed property website maintained by the
477 administrator;

478 (d) a telephone number and electronic mail address to contact the administrator to
479 inquire about or claim property; and

480 (e) a statement that a person may access the Internet by a computer to search for
481 unclaimed property, and a computer may be available as a service to the public at a local public
482 library.

483 (4) (a) The administrator shall maintain a website accessible by the public and
484 electronically searchable that contains the names reported to the administrator of apparent
485 owners for whom property is being held by the administrator.

486 (b) The administrator is not required to list property on the website if:

487 (i) no owner name was reported;

488 (ii) a claim has been initiated or is pending for the property;

489 (iii) the Office of the State Treasurer has made direct contact with the apparent owner
490 of the property; or

491 (iv) the administrator reasonably believes exclusion of the property is in the best
492 interests of both the state and the owner of the property.

493 (5) The website or database maintained under Subsection (4) shall include instructions
494 for filing with the administrator a claim to property and a printable claim form with
495 instructions.

496 (6) (a) At least annually, the administrator shall notify the State Tax Commission of the
497 names ~~[of all]~~ and social security numbers or federal identification numbers of any persons
498 appearing to be owners of abandoned property under this chapter.

499 ~~[(b) The administrator shall also provide to the State Tax Commission the social~~
500 ~~security numbers of the persons, if available.]~~

501 ~~[(c)]~~ (b) The State Tax Commission shall:

502 (i) ~~[notify the administrator]~~ determine if any person under Subsection (6)(a) has filed a
503 Utah income tax return in that year; and

504 ~~[(ii) provide the administrator with the person's address that appears on the tax return.]~~

505 (ii) provide notice to a person described in Subsection (6)(b)(i) that directs the person
506 to access the website described in Subsection (4) for information on property that may be held
507 by the administrator in that person's name.

508 ~~[(d) In]~~ (c) Subject to Subsection (7), in order to facilitate the return of property under
509 this Subsection (6), the administrator and the State Tax Commission may enter into an
510 interagency agreement concerning protection of confidential information, data match rules, and
511 other issues.

512 ~~[(7) (a) If the value of the property that is owed the person is \$2,000 or less:]~~

513 (7) If the administrator and the State Tax Commission enter into an interagency
514 agreement under Subsection (6)(c), for each person that is owed property that has a value of
515 \$2,000 or less:

516 (a) the administrator shall deliver the property or pay the amount owed to the person in
517 the manner provided under Section 67-4a-905; and

518 ~~[(i)]~~ (b) the person is not required to file a claim under Section 67-4a-903~~[-and]~~.

519 ~~[(ii) the administrator shall deliver the property or pay the amount owing to the person~~
520 ~~in the manner provided under Section 67-4a-905.]~~

521 ~~[(b) If the value of the property that is owed the person is greater than \$2,000,]~~

522 ~~[the administrator shall send written notice to the person informing the person that the~~
523 ~~person:]~~

524 ~~[(i) is the owner of abandoned property held by the state; and]~~
525 ~~[(ii) may file a claim with the administrator for return of the property.]~~
526 (8) The administrator may use publicly and commercially available databases to find
527 and update or add information for apparent owners of property held by the administrator.
528 (9) The State Tax Commission may bill the administrator to recover the State Tax
529 Commission's costs for providing the service under this section.
530 ~~[(9)]~~ (10) In addition to giving notice under Subsection (2), publishing the information
531 under Subsection (3), and maintaining the website or database under Subsection (4), the
532 administrator may use other printed publication, telecommunication, the Internet, or other
533 media to inform the public of the existence of unclaimed property held by the administrator.

Legislative Review Note
Office of Legislative Research and General Counsel