Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

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Bill Number: SB996-ER **Patron:** Williams Graves

Bill Title: Claims to unclaimed property; authority of administrator.

Bill Summary: Authorizes the State Treasurer or his designee to make payments relating to unclaimed property without receiving a claim if the property is cash property, the apparent owner is a natural person and the sole owner of such property, the apparent owner has been identified by the State Treasurer or his designee, and the amount to be paid does not exceed \$5,000.

Budget Amendment Necessary: Yes **Items Impacted:** 262 of SB800

Explanation: An additional \$215,000 in FY2025 and \$600,000 thereafter, in nongeneral fund

appropriation, is required to administer this legislation.

Fiscal Summary: The proposed legislation expands the administrator's authority to proactively send validated claims to citizens without requiring them to submit a claim. As a result of this legislation, Treasury would incur an additional \$600,000 in administrative costs and requires an increase in nongeneral fund appropriation (Unclaimed Property Fund – 07030). The bill includes an emergency clause that will incur an additional \$215,000 in administrative costs for FY 2025.

Nongeneral Fund Expenditure Impact:

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
Treasury (Unclaimed Property Fund)	\$215,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
TOTAL	\$215,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000

Fiscal Analysis: The Department of Treasury estimates that this legislation would result in additional administrative costs, including expenses for sending letters to citizens, vendor fees for verifying ownership status, and printing and mailing checks. Other states that have recently implemented similar programs process approximately 100,000 additional claims per year. Based on this figure, the Treasury estimates an increase of \$600,000 in administrative costs provided through an increase in nongeneral fund. The bill includes an emergency clause that will incur an additional \$215,000 in administrative costs for FY 2025.

Other: The bill is identical to HB1606.