

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1828 Session of
2005

INTRODUCED BY CALTAGIRONE, CRAHALLA, GOOD, HANNA, HARRIS, JAMES,
MYERS, REICHLEY, SATHER AND YOUNGBLOOD, JULY 1, 2005

REFERRED TO COMMITTEE ON FINANCE, JULY 1, 2005

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled,
2 as amended, "An act relating to the finances of the State
3 government; providing for the settlement, assessment,
4 collection, and lien of taxes, bonus, and all other accounts
5 due the Commonwealth, the collection and recovery of fees and
6 other money or property due or belonging to the Commonwealth,
7 or any agency thereof, including escheated property and the
8 proceeds of its sale, the custody and disbursement or other
9 disposition of funds and securities belonging to or in the
10 possession of the Commonwealth, and the settlement of claims
11 against the Commonwealth, the resettlement of accounts and
12 appeals to the courts, refunds of moneys erroneously paid to
13 the Commonwealth, auditing the accounts of the Commonwealth
14 and all agencies thereof, of all public officers collecting
15 moneys payable to the Commonwealth, or any agency thereof,
16 and all receipts of appropriations from the Commonwealth,
17 authorizing the Commonwealth to issue tax anticipation notes
18 to defray current expenses, implementing the provisions of
19 section 7(a) of Article VIII of the Constitution of
20 Pennsylvania authorizing and restricting the incurring of
21 certain debt and imposing penalties; affecting every
22 department, board, commission, and officer of the State
23 government, every political subdivision of the State, and
24 certain officers of such subdivisions, every person,
25 association, and corporation required to pay, assess, or
26 collect taxes, or to make returns or reports under the laws
27 imposing taxes for State purposes, or to pay license fees or
28 other moneys to the Commonwealth, or any agency thereof,
29 every State depository and every debtor or creditor of the
30 Commonwealth," further regulating abandoned and unclaimed
31 property; and transferring the Bureau of Unclaimed Property
32 to the Department of Revenue.

33 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 Section 1. The definition of "holder" in section 1301.1 of
3 the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal
4 Code, amended June 29, 2002 (P.L.614, No.91), is amended and the
5 section is amended by adding a definition to read:

6 Section 1301.1. Definitions.--As used in this article,
7 unless the context otherwise requires:

8 * * *

9 "Holder" shall include any person in possession of property
10 subject to this article belonging to another, or who is a
11 trustee in case of a trust, or is indebted to another on an
12 obligation subject to this article or any financial institution
13 which has paid amounts and sums to the [State Treasurer]
14 secretary under subsection (c) of section 1301.13 of this
15 article.

16 * * *

17 "Secretary" shall mean the Secretary of Revenue of the
18 Commonwealth.

19 Section 2. Section 1301.9 of the act, amended December 23,
20 2003 (P.L.243, No.45), is amended to read:

21 Section 1301.9. Property Held by Courts and Public Officers
22 and Agencies.--The following property is presumed abandoned and
23 unclaimed:

24 1. Except as provided in clause 2 or 6, all property held
25 for the owner by any court, public corporation, public authority
26 or instrumentality of the United States, the Commonwealth, or
27 any other state, or by a public officer or political subdivision
28 thereof, unclaimed by the owner for more than five (5) years
29 from the date it first became demandable or distributable.

30 2. Bicycles held for the owner by a municipality unclaimed

1 by the owner for more than ninety (90) days from the date it
2 first became demandable or distributable.

3 3. The bicycles held pursuant to clause 2 may be disposed of
4 by the municipality at public auction at such time and place as
5 may be designated by the municipality or the governing body may,
6 by resolution, donate the bicycles to a charitable organization.
7 Any proceeds from the sale of the bicycles shall be retained by
8 the municipality and used for municipal purposes.

9 4. Bicycles held by or acquired by the Commonwealth for
10 ninety (90) days may be disposed of at public auction at such
11 time and place as may be designated by the [State Treasurer]
12 secretary. Proceeds of such sale or sales shall be deposited in
13 the General Fund.

14 5. All property held by or subject to the control of any
15 court, public corporation, public authority or instrumentality
16 of the Commonwealth or by a public officer or political
17 subdivision thereof, which is without a rightful or lawful
18 owner, to the extent not otherwise provided for by law, held for
19 more than one year.

20 6. Restitution held for the owner by any court, public
21 corporation, public authority or instrumentality of the
22 Commonwealth, or by a public officer or political subdivision
23 thereof, unclaimed by the owner for more than five (5) years
24 from the date it first became demandable or distributable.

25 Section 3. Sections 1301.11, 1301.12, 1301.13, 1301.14,
26 1301.15, 1301.16 and 1301.17 of the act, amended June 29, 2002
27 (P.L.614, No.91), are amended to read:

28 Section 1301.11. Report of Property Subject to Custody and
29 Control of the Commonwealth under this Article.--(a) Every
30 person holding property which became subject to custody and

1 control of the Commonwealth under this article during the
2 preceding year shall report to the [State Treasurer] secretary
3 as hereinafter provided.

4 (b) The report shall be verified and shall include:

5 1. Except with respect to travelers checks and money orders,
6 the name, if known, and last known address, if any, of each
7 person appearing from the records of the holder to be the owner
8 of any property of the value of fifty dollars (\$50) or more;

9 2. The nature and identifying number, if any, or description
10 of the property and the amount appearing from the records to be
11 due, except that items of value under fifty dollars (\$50) each
12 may be reported in the aggregate;

13 3. The date when the property became payable, demandable,
14 returnable or the date upon which the property was declared or
15 found to be without a rightful or lawful owner, and the date of
16 the last transaction with the owner with respect to the
17 property; and

18 4. Other information consistent with law which the [State
19 Treasurer] secretary prescribes by regulations as necessary for
20 administration of this article.

21 (c) If the person holding property subject to custody and
22 control of the Commonwealth under this article is a successor to
23 other persons who previously held the property for the owner, or
24 if the holder has changed his name while holding the property,
25 he shall file with his report all prior known names and
26 addresses of each holder of the property.

27 (d) The report shall be filed on or before April 15 of the
28 year following the year in which the property first became
29 subject to custody and control of the Commonwealth under this
30 article. The [State Treasurer] secretary may postpone for a

1 period not exceeding six (6) months the reporting date upon
2 written request by any person required to file a report.

3 (e) Verification, if made by a partnership, shall be
4 executed by a partner; if made by an unincorporated association
5 or private corporation, by an officer; and if made by a public
6 corporation, by its chief fiscal officer; if made by a court, by
7 an officer of the court; and if made by a public officer of the
8 United States, of the Commonwealth of Pennsylvania or any
9 political subdivisions thereof or of any other state or
10 political subdivision thereof, by that public officer.

11 (f) Subsequent to the filing of the reports required by this
12 section, the [State Treasurer] secretary shall compile a list of
13 the abandoned and unclaimed property contained in the reports.
14 The listing shall contain the names, items of property and last
15 known addresses, if any, of the owners listed in the reports.
16 The [State Treasurer] secretary shall, after the notification
17 period provided for in section 1301.12, make the listing
18 available for examination, inspection or copying at fees to be
19 determined by the [State Treasurer] secretary.

20 (g) All agreements or powers of attorney to recover or
21 collect abandoned and unclaimed property contained in the
22 reports filed under this article shall be valid and enforceable
23 only if the agreements:

24 1. are in writing and duly signed and acknowledged by the
25 owner;

26 2. clearly state the fee or compensation to be paid, which
27 shall not exceed fifteen per centum of the value of the
28 abandoned and unclaimed property;

29 3. disclose the nature and value of the property; and

30 4. disclose the name and address of the holder and, if

1 known, whether the abandoned and unclaimed property has been
2 paid or delivered to the [State Treasurer] secretary.

3 (i) Subsection (g) shall not apply to any agreement or power
4 of attorney entered into between the personal representative,
5 guardian, trustee or other person in a representative capacity
6 to the owner of the property in which such person has an
7 interest for a fixed fee or hourly or daily rate not contingent
8 upon the discovery of property or the value of property
9 discovered: Provided, however, That any such agreement under
10 this subsection for the purpose of evading the provisions of
11 subsection (g) shall be void.

12 (j) Nothing in this section shall be construed to prevent an
13 owner from asserting at any time that any agreement to locate or
14 reveal abandoned and unclaimed property reported to the [State
15 Treasurer] secretary is based on an excessive or unjust
16 consideration.

17 (k) To the maximum extent feasible, the [State Treasurer]
18 secretary shall be entitled to request and receive and shall
19 utilize and be provided with such facilities, resources and data
20 of any court, department, division, board, bureau, commission or
21 agency of the Commonwealth or any political subdivision thereof
22 as it may reasonably request to carry out properly its powers
23 and duties hereunder.

24 Section 1301.12. Notice and Publication of Lists of Property
25 Subject to Custody and Control of the Commonwealth under this
26 Article.--(a) Within twelve (12) months from the filing of the
27 report required by section 1301.11, the [State Treasurer]
28 secretary shall cause notice to be published at least once in an
29 English language newspaper of general circulation in the county
30 in which the owner of the property had a last known address

1 appearing from the verified report filed by the holder or, if
2 there is no name or address or the owner is not a Pennsylvania
3 resident, then at least one time in the Pennsylvania Bulletin.

4 (b) The published notice shall be entitled "Notice of Names
5 of Persons Appearing to be Owners of Abandoned and Unclaimed
6 Property," and shall contain:

7 1. The names and last known addresses, if any, of persons
8 listed in the report and entitled to notice within the county as
9 hereinbefore specified and the name and address of the holder;

10 2. A statement that information concerning the amount or
11 description of the property and the name and address of the
12 holder may be obtained by any persons possessing an interest in
13 the property by addressing an inquiry to the holder;

14 3. A statement that a proof of claim should be presented by
15 the owner to the holder within three (3) months from the date of
16 the published notice, and that thereafter claims should be filed
17 with the [State Treasurer] secretary.

18 (c) The [State Treasurer] secretary is not required to
19 publish in such notice any item of less than one hundred dollars
20 (\$100) unless the [State Treasurer] secretary deems such
21 publication to be in the public interest.

22 (d) Within nine (9) months from the receipt of the report
23 required by section 1301.11, the [State Treasurer] secretary
24 shall mail a notice to each person having an address listed who
25 appears to be entitled to property of the value of one hundred
26 dollars (\$100) or more subject to custody and control of the
27 Commonwealth under this article. The mailed notice shall
28 contain:

29 1. A statement that, according to a report filed with the
30 [State Treasurer] secretary, property is being held to which the

1 addressee appears entitled;

2 2. The name and address of the holder of the property and
3 any necessary information regarding changes of name and address
4 of the holder;

5 3. A statement that, if satisfactory proof of claim is not
6 presented by the owner to the holder by the date specified in
7 the published notice, claims should thereafter be filed with the
8 [State Treasurer] secretary.

9 (e) This section is not applicable to sums payable on
10 travelers checks and money orders or to property reported to be
11 without a rightful or lawful owner.

12 Section 1301.13. Payment or Delivery.--(a) Every person who
13 holds property subject to the custody and control of the
14 Commonwealth shall, after compliance with section 1301.11, where
15 required, and on or before April 15 of the year following the
16 year in which the property first became subject to custody and
17 control of the Commonwealth under this article, pay or deliver
18 to the [State Treasurer] secretary all property subject to
19 custody and control of the Commonwealth under this article,
20 except that, if the owner establishes his right to receive the
21 property to the satisfaction of the holder, or if it appears
22 that for some other reason the property is not then subject to
23 custody and control of the Commonwealth under this article, the
24 holder need not pay or deliver the property to the [State
25 Treasurer] secretary, but in lieu thereof shall file a verified
26 written explanation of the proof of claim or as to the reason
27 the property is not subject to custody and control of the
28 Commonwealth.

29 (b) A receipt shall be issued, on behalf of the
30 Commonwealth, for all property received under this article.

1 (c) Notwithstanding subsection (a) of this section, in the
2 case of the deposits and the sums payable under clauses 1 and 3
3 of section 1301.3 the amount of such deposits and such sums
4 shall be paid to the [State Treasurer] secretary on or before
5 the final date for filing the report required by section
6 1301.11.

7 (d) Any person who holds property which may become subject
8 to the custody and control of the Commonwealth pursuant to this
9 act may, with the consent of the [State Treasurer] secretary,
10 report and deliver such property prior to the expiration of any
11 holding period specified for such reporting. Any person who pays
12 or delivers property prior to the expiration of such holding
13 period shall be relieved of further liability pursuant to
14 section 1301.14. Property thus reported may be disposed of
15 pursuant to section 1301.17, but in no event shall the period
16 for filing of claims be diminished by such early delivery or
17 disposition.

18 Section 1301.14. Relief from Liability by Payment or
19 Delivery.--Upon the payment or delivery of the property to the
20 [State Treasurer] secretary, the Commonwealth shall assume
21 custody and shall be responsible for the safekeeping thereof.
22 Any person who pays or delivers property to the [State
23 Treasurer] secretary under this article is relieved of all
24 liability with respect to the safekeeping of such property so
25 paid or delivered for any claim which then exists or which
26 thereafter may arise or be made in respect to such property. Any
27 holder who has paid moneys to the [State Treasurer] secretary
28 pursuant to this article may make payment to any person
29 appearing to such holder to be entitled thereto. In the case of
30 deposits and sums paid to the [State Treasurer] secretary under

1 subsection (c) of section 1301.13, financial institutions shall
2 make payment to any person appearing to such financial
3 institution to be entitled thereto. Upon proof of such payment
4 by a holder and proof that the payee was entitled thereto, the
5 [State Treasurer] secretary shall forthwith reimburse the holder
6 for such payment together with interest from the date of receipt
7 of such proofs by the [State Treasurer] secretary to a date
8 within thirty (30) days of the date of mailing of the
9 reimbursement. Interest under this section shall be at the rate
10 prevailing for tax over payments on the date of receipt of the
11 proofs by the [State Treasurer] secretary as provided for in
12 section 806 of this act.

13 Section 1301.15. Income Accruing After Payment or
14 Delivery.--When property is paid or delivered to the [State
15 Treasurer] secretary under this article, the owner is entitled
16 to receive income or other increments actually received by the
17 [State Treasurer] secretary.

18 Section 1301.16. Periods of Limitation.--Except as
19 hereinbelow set forth, the expiration of any period of time
20 specified by statute or court order, during which an action may
21 be commenced or maintained, or could have been commenced or
22 maintained, by the owner against the holder of the property,
23 shall not prevent such property from being subject to the
24 custody and control of the Commonwealth under this article, nor
25 affect the duty to file a report or to pay or deliver the
26 property to the [State Treasurer] secretary, as required by this
27 article, nor bar any action by the [State Treasurer] secretary
28 under this article, provided that:

29 1. If any holder required to file a report under any act in
30 effect prior to the effective date of this article, or under

1 this article, has filed or files a report, no action shall be
2 commenced or maintained against such holder unless it has been
3 or is commenced within fifteen (15) years after such report has
4 been or is filed.

5 2. If any holder was not required to file a report under any
6 act in effect prior to the effective date hereof, no action
7 shall be commenced or maintained unless it has been or is
8 commenced within fifteen (15) years after the property first
9 became escheatable or payable [into the State Treasury] to the
10 secretary without escheat.

11 Section 1301.17. Disposition of Property.--(a) Within a
12 reasonable time after delivery to the [State Treasurer]
13 secretary of any property under this article, the [State
14 Treasurer] secretary may sell it to the highest bidder at public
15 sale in whatever city in the Commonwealth affords, in the [State
16 Treasurer's] secretary's judgment, the most favorable market for
17 the property involved. The [State Treasurer] secretary may
18 decline the highest bid or reoffer the property for sale if the
19 [State Treasurer] secretary considers the price bid
20 insufficient. The [State Treasurer] secretary need not offer any
21 property for sale, if, in the [State Treasurer's] secretary's
22 opinion, the probable cost of sale exceeds the value of the
23 property.

24 (b) If the property is of a type customarily sold on a
25 recognized market or of a type which is subjected to widely
26 distributed standard price quotations, the [State Treasurer]
27 secretary may sell the property without notice by publication or
28 otherwise. The language provided in this section grants to the
29 [State Treasurer] secretary express authority to sell any
30 property, including, but not limited to, stocks, bonds, notes,

1 bills and all other public or private securities.

2 (c) Property reported or delivered to the custody or control
3 of the [State Treasurer] secretary pursuant to this act may be
4 donated to the use of the Commonwealth or any of its political
5 subdivisions or otherwise consumed or discarded, at the
6 discretion of the [State Treasurer] secretary where, in the
7 opinion of the [State Treasurer] secretary, the costs associated
8 with delivery, notice or sale exceed the value of the property.
9 Property which is refused or is to be donated to the use of a
10 political subdivision shall first be offered to the political
11 subdivision which holds the property. A donee or purchaser at
12 any sale conducted by the [State Treasurer] secretary pursuant
13 to this article shall receive title to the property purchased,
14 free from all claims of the owner or prior holder thereof and of
15 all persons claiming through or under them. The [State
16 Treasurer] secretary shall execute all documents necessary to
17 complete the transfer of title.

18 (d) The [State Treasurer] secretary shall be responsible to
19 an owner only for the amount actually received by the [State
20 Treasurer] secretary upon the sale of any property pursuant to
21 subsections (a), (b) and (c).

22 (e) The [State Treasurer] secretary shall be required to
23 sell all stocks, bonds and other negotiable financial
24 instruments upon receipt of such items. The [State Treasurer]
25 secretary shall not be held liable for any loss or gain in the
26 value that the financial instrument would have obtained had the
27 financial instrument been held instead of being sold.

28 Section 4. Section 1301.18 of the act, amended December 23,
29 2003 (P.L.243, No.45), is amended to read:

30 Section 1301.18. Deposit of Funds.--(a) Except as provided

1 in subsection (a.1), all funds received under this article,
2 including the proceeds from the sale of property under section
3 1301.17, shall forthwith be deposited by the [State Treasurer]
4 secretary in the General Fund of the Commonwealth except that
5 the [State Treasurer] secretary shall retain in a separate trust
6 fund an amount not exceeding twenty-five thousand dollars
7 (\$25,000) plus twenty per centum of deposits and sums paid to
8 the [State Treasurer] secretary under subsection (c) of section
9 1301.13 during the preceding twelve (12) months from which the
10 [State Treasurer] secretary shall make reimbursements under
11 section 1301.14 and prompt payment of claims duly allowed under
12 section 1301.19. Before making the deposit, the [State
13 Treasurer] secretary shall record the name and last known
14 address of each person appearing from the holders' reports to be
15 entitled to the property and of the name and last known address
16 of each insured person or annuitant, and with respect to each
17 policy or contract listed in the report of an insurer, its
18 number, the name of the insurer and the amount due. The record
19 with respect to any specific claim shall be available to the
20 claimant at all regular business hours.

21 (a.1) (1) On or before the thirtieth day of June, all of
22 the funds received under clause 6 of section 1301.9 shall
23 forthwith be deposited annually by the [State Treasurer]
24 secretary in the Crime Victim's Compensation Fund.

25 (2) Of these funds, the [State Treasurer] secretary shall
26 transfer five per centum in a special fund hereby established in
27 the State Treasury to be designated the Rightful Owners' Claims
28 Payment Fund from which the [State Treasurer] secretary shall
29 make reimbursements and prompt payments of claims for funds
30 received under clause 6 of section 1301.9 duly allowed as

1 provided by this act.

2 (3) If at any time the [State Treasurer] secretary
3 determines that there are insufficient funds in the Rightful
4 Owners' Claims Payment Fund to pay all claims duly allowed by
5 the [State Treasurer] secretary or by order of a court of law to
6 be paid, the [State Treasurer] secretary shall withdraw from the
7 Crime Victim's Compensation Fund an amount sufficient to pay
8 such claims and need only notify the administrators of the Crime
9 Victim's Compensation Fund as to when and what amount shall be
10 withdrawn.

11 (4) If, however, the Rightful Owners' Claims Payment Fund
12 has sufficient funds to satisfy all claims duly allowed by the
13 [State Treasurer] secretary or by order of a court of law to be
14 paid throughout the twelve (12) month period immediately
15 following the annual deposit by the [State Treasurer] secretary
16 in the Crime Victim's Compensation Fund, the remaining balance,
17 if any, of the five per centum transferred by the [State
18 Treasurer] secretary during the preceding year shall be
19 transferred to the Crime Victim's Compensation Fund.

20 (5) Before making the deposit in the Crime Victim's
21 Compensation Fund and the Rightful Owners' Claims Payment Fund,
22 the [State Treasurer] secretary shall record the name and last
23 known address of each person appearing from the holders' reports
24 to be entitled to the property. The record with respect to any
25 specific claim shall be available to the claimant at all regular
26 business hours.

27 (6) Notwithstanding any other provision of this subsection,
28 the [State Treasurer] secretary shall make reimbursements and
29 prompt payment of claims for funds received under clause 6 of
30 section 1301.9 first under clause (2) of this subsection and

1 then from other available sources as provided by this act.

2 (b) The General Assembly shall annually appropriate to the
3 [State Treasurer] secretary such funds as it deems necessary and
4 appropriate to administer this article.

5 Section 5. Sections 1301.19, 1301.20, 1301.21, 1301.22,
6 1301.23, 1301.24, 1301.25 and 1301.26 of the act, amended June
7 29, 2002 (P.L.614, No.91), are amended to read:

8 Section 1301.19. Claim for Property Paid or Delivered.--Any
9 person claiming an interest in any property paid or delivered to
10 the Commonwealth under this article may file a claim thereto or
11 to the proceeds from the sale thereof on the form prescribed by
12 the [State Treasurer] secretary.

13 Section 1301.20. Determination of Claims.--(a) The [State
14 Treasurer] secretary shall consider any claim filed under this
15 article and may hold a hearing and receive evidence concerning
16 it. If a hearing is held, the [State Treasurer] secretary shall
17 prepare a finding and a decision in writing on each claim filed,
18 stating the substance of any evidence heard by the [State
19 Treasurer] secretary and the reasons for the [State Treasurer's]
20 secretary's decision. The decision shall be a public record.

21 (b) If the claim is allowed, the [State Treasurer] secretary
22 shall make payment forthwith.

23 Section 1301.21. Judicial Action upon Determinations.--Any
24 person aggrieved by a decision of the [State Treasurer]
25 secretary, or as to whose claim the [State Treasurer] secretary
26 has failed to act within ninety (90) days after the filing of
27 the claim, may commence an action in the Commonwealth Court to
28 establish his claim. The proceeding shall be brought within
29 thirty (30) days after the decision of the [State Treasurer]
30 secretary or within one hundred twenty (120) days from the

1 filing of the claim if the [State Treasurer] secretary fails to
2 act. The action shall be tried de novo without a jury.

3 Section 1301.22. Election to Take Payment or Delivery.--The
4 [State Treasurer] secretary may decline to receive any item of
5 property reported, in which event the holder thereof shall be
6 discharged of any liability to the Commonwealth with respect
7 thereto. Unless the holder of the property is notified to the
8 contrary within ninety (90) days after filing the report
9 required under section 1301.11, the [State Treasurer] secretary
10 shall be deemed to have elected to receive the custody of the
11 property.

12 Section 1301.23. Examination of Records.--(a) If the [State
13 Treasurer] secretary has reason to believe that any holder has
14 failed to report property that should have been reported
15 pursuant to this article, the [State Treasurer] secretary may,
16 at reasonable times and upon reasonable notice, examine the
17 records of such person with respect to such property.

18 (b) If a holder fails after the effective date of this
19 subsection to maintain the records required or the records of
20 the holder available for the periods subject to this act are
21 insufficient to permit the preparation of a report, the [State
22 Treasurer] secretary may require the holder to report and pay
23 the amount the [State Treasurer] secretary may reasonably
24 estimate on the basis of any available records of the holder or
25 on the basis of any other reasonable method of estimation that
26 the [State Treasurer] secretary may select.

27 Section 1301.24. Proceeding to Compel Reporting or
28 Delivery.--(a) If any person refuses to report or to pay or
29 deliver property to the [State Treasurer] secretary as required
30 under this article, including property subject to written

1 demands pursuant to section 1301.3 and the amount required to be
2 paid pursuant to section 1301.23(b), the Commonwealth shall
3 bring an action in a court of appropriate jurisdiction to
4 enforce reporting or delivery. In any such action the
5 Pennsylvania Rules of Civil Procedure shall apply, including
6 without limitation those pertaining to discovery. The [State
7 Treasurer] secretary bears the burden of proof regarding the
8 estimation of the value of property pursuant to this article.

9 (b) If any holder fails, without proper cause, (i) to report
10 or (ii) to pay and deliver to the [State Treasurer] secretary
11 property subject to custody and control of the Commonwealth
12 under this article, such holder shall be liable to pay to the
13 [State Treasurer] secretary interest at the rate of twelve per
14 centum per annum from the time such report should have been
15 filed, to be computed on the value of such property as
16 established in an action by the [State Treasurer] secretary
17 under subsection (a), and such interest shall be recoverable in
18 the same action.

19 Section 1301.25. Penalties.--(a) Any person who, without
20 proper cause, fails to render any report or perform other duties
21 required under this article, shall, upon conviction in a summary
22 proceeding be sentenced to pay a fine of one hundred dollars
23 (\$100) for each day such report is withheld, but not more than
24 ten thousand dollars (\$10,000).

25 (b) Any person who, without proper cause, refuses to pay or
26 deliver property to the [State Treasurer] secretary as required
27 under this article shall be guilty of a misdemeanor and, upon
28 conviction thereof, shall be sentenced to pay a fine of not less
29 than one thousand dollars (\$1,000) nor more than ten thousand
30 dollars (\$10,000), or imprisonment for not more than twenty-four

1 (24) months, or both.

2 (c) Upon good cause shown, the [State Treasurer] secretary
3 may waive, in whole or in part, interest and penalties under
4 subsections (a) and (b) and shall waive penalties if the holder
5 acted in good faith and without negligence.

6 Section 1301.26. Regulations.--(a) The [State Treasurer]
7 secretary is hereby authorized to make necessary regulations to
8 carry out the provisions of this article.

9 (b) Within twelve (12) months of the effective date of this
10 subsection, the [State Treasurer] secretary shall promulgate
11 regulations regarding estimation calculations. Pending the
12 promulgation of the regulations and prior to issuing any demand
13 pursuant to section 1301.24 that incorporates any estimate of
14 amounts due following the [State Treasurer's] secretary's
15 examination of a holder's records, the [State Treasurer]
16 secretary shall promulgate a statement of policy regarding
17 estimation calculations. Estimation procedures set forth by the
18 statement of policy shall conform to generally accepted auditing
19 standards. The statement of policy shall expire upon
20 promulgation of final regulations or one (1) year from the
21 effective date of this subsection, whichever occurs first.

22 Section 6. Section 1301.28a of the act, added June 29, 2002
23 (P.L.614, No.91), is amended to read:

24 Section 1301.28a. Interdepartmental Cooperation.--(a) The
25 head of any department, board, commission, agency or
26 instrumentality of the Commonwealth shall, unless otherwise
27 prohibited by law, disclose to the [State Treasurer] secretary
28 the last known address of individuals listed in the [Treasury
29 Department's] Department of Revenue's records as owners of
30 unclaimed property.

1 [(b) Notwithstanding subsection (a), section 731 of this act
2 and sections 274, 353(f) and 408(b) of the act of March 4, 1971
3 (P.L.6, No.2), known as the "Tax Reform Code of 1971," the
4 Department of Revenue shall disclose to the State Treasurer the
5 last known address of individuals listed in the Treasury
6 Department's records as owners of unclaimed property.]

7 (c) Upon receipt of the information referred to in
8 subsections (a) and (b), the [Treasury Department] Department of
9 Revenue shall keep the information confidential and shall use it
10 solely to assist in the process of returning unclaimed property
11 to its rightful owner.

12 Section 7. The Bureau of Unclaimed Property shall, on the
13 effective date of this section, transfer to the Department of
14 Revenue. All activities initiated by the Bureau of Unclaimed
15 Property before the effective date of this section shall
16 continue and remain in full force and effect. Orders,
17 regulations, rules and decisions which were made by the Bureau
18 of Unclaimed Property and which are in effect on the effective
19 date of this section shall remain in full force and effect.
20 Contracts, obligations and collective bargaining agreements
21 entered into by the Bureau of Unclaimed Property are not
22 affected nor impaired by the transfer.

23 Section 8. This act shall take effect in 60 days.