



HOUSE COMMITTEE ON APPROPRIATIONS
2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL: 1407

PRINTER'S NO: 1729

PRIME SPONSOR: DeLuca

FISCAL IMPACT SUMMARY	FY 2009/10	FY 2010/11
Expenditure Increase/(Decrease):		
General Fund	\$170,000	\$2,600,000
Revenue Increase/(Decrease):		
Tobacco Settlement Fund	\$50,000,000	\$0

OVERVIEW:

House Bill 1407 amends section 1301 of the Fiscal Code reducing the amount of time required for property to be considered abandoned and unclaimed. Properties include those held by financial institutions, insurers, utilities, business associations, fiduciaries, courts and public officers.

The bill takes effect immediately.

ANALYSIS:

The bill reduces the time for property to be considered abandoned and unclaimed from 5 to 4 years, money orders from 7 to 4 years and traveler's checks from 15 to 20 years. The Treasury Department reports that this change in time generates approximately \$50 million in the first year of the change. The increased amount of unclaimed property received has a corresponding increase to the number of names required to be advertised, the number of letters sent, and the number of claims needed to be processed. Treasury estimates that this will cost an additional \$170,000 in FY 2009/10 and \$2.6 million in FY 2010/11. The timing of the notification and advertising equates to the larger fiscal impact in the second year. All additional funds generated from the passage of this bill would be deposited in the Tobacco Settlement Fund.

PREPARED BY: Rebecca May Cole, Budget Analyst
House Appropriations Committee, (D)

DATE: October 7, 2009

General Note and Disclaimer: *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*