

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2488 Session of
2002

INTRODUCED BY DeLUCA, TRELLO, COLAFELLA, WALKO, COSTA, DIVEN AND
PETRONE, APRIL 8, 2002

REFERRED TO COMMITTEE ON FINANCE, APRIL 8, 2002

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 property.

31 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 Section 1. The definitions of "holder" and "secretary" in
3 section 1301.1 of the act of April 9, 1929 (P.L.343, No.176),
4 known as The Fiscal Code, added December 9, 1982 (P.L.1057,
5 No.248), are amended 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 [secretary] State
14 Treasurer under subsection (c) of section 1301.13 of this
15 article.

16 * * *

17 ["Secretary" shall mean the Secretary of Revenue of the
18 Commonwealth of Pennsylvania.]

19 * * *

20 Section 2. Sections 1301.3, 1301.4, 1301.5, 1301.6 and
21 1301.8 of the act, added December 9, 1982 (P.L.1057, No.248),
22 are amended to read:

23 Section 1301.3. Property Held by Financial Institutions.--
24 The following property held or owing by a financial institution
25 is presumed abandoned and unclaimed:

26 1. Any demand, saving or matured time deposit in a financial
27 institution, or any funds paid toward the purchase of shares or
28 other interest in a savings association, savings and loan or
29 building and loan association, excluding any charges that may
30 lawfully be withheld, unless within the preceding [seven (7)]

1 five (5) years the owner has:

2 (i) Increased the amount of the deposit, shares or claim,
3 otherwise than by the crediting of accrued interest, or
4 decreased it, or presented to the holder evidence of the
5 deposit, shares or claim; or

6 (ii) Corresponded in writing with the holder concerning the
7 deposit, shares or claim; or

8 (iii) Otherwise indicated an interest in the deposit, shares
9 or claim as evidenced by a writing on file with the holder; or

10 (iv) Received tax reports or regular statements of the
11 deposits, shares or claim by certified mail or other method of
12 communication that will provide the financial institution with a
13 record that such report or statement was transmitted and
14 received; or

15 (v) Owned other property held by the financial institution
16 to which subclause (i), (ii), (iii) or (iv) applies.

17 2. A deposit under clause 1 shall include any interest or
18 dividend which the financial institution would pay to the owner
19 upon claim therefor. The charges which may be excluded hereunder
20 shall not include any charge due to inactivity imposed, directly
21 or indirectly, after December 31, 1981 unless there is a valid
22 and enforceable written contract between the financial
23 institution and the owner of the deposit pursuant to which the
24 financial institution may impose said charge.

25 3. Any sum payable on checks or on written instruments
26 including, but not limited to, drafts, money orders and
27 travelers checks, on which a financial institution is directly
28 liable, and (i) which have been outstanding for more than [seven
29 (7)] five (5) years, or in the case of travelers checks, fifteen
30 (15) years, from the date payable, or from the date of issuance

1 if payable on demand; and (ii) the owner of which has not
2 written to the financial institution concerning it, nor
3 otherwise indicated an interest as evidenced by a writing on
4 file with the financial institution.

5 4. Any funds or other personal property, tangible or
6 intangible, removed from a safe deposit box or any other
7 safekeeping repository in the Commonwealth on which the lease or
8 rental period has expired due to nonpayment of rental charges or
9 other reason, or any surplus amounts arising from the sale
10 thereof pursuant to law, if the same has not been claimed by the
11 owner for more than [seven (7)] five (5) years from the date on
12 which the rental period expired.

13 5. The following deposits described in clause 1 shall be
14 excluded from the presumption of being abandoned and unclaimed
15 only while the conditions described below are in effect:

16 (i) Deposits during any period when withdrawals may be made
17 only upon an order of a court of competent jurisdiction.

18 (ii) Deposits established under 20 Pa.C.S. Ch. 53 (relating
19 to Pennsylvania Uniform Transfers to Minors Act) or similar law
20 concerning transfers to minors, while the custodianship has not
21 been terminated.

22 (iii) Burial reserve accounts and similar deposits
23 established under written agreements to provide for the funeral
24 and/or burial expenses of a person while the person is still
25 alive.

26 Section 1301.4. Property Held by Insurers.--(a) In the case
27 of life insurance, the following property held or owing by an
28 insurer is presumed abandoned and unclaimed:

29 1. Any moneys held or owing by an insurer as established by
30 its records under any contract of annuity or policy of life

1 insurance including premiums returnable or dividends payable,
2 unclaimed and unpaid for more than [seven (7)] five (5) years
3 after the moneys have or shall become due and payable under the
4 provisions of such contract of annuity or policy of insurance. A
5 life insurance policy not matured by actual proof of the death
6 of the insured is deemed to be matured and the proceeds thereof
7 are deemed to be due and payable if such policy was in force
8 when the insured attained the limiting age under the mortality
9 table on which the reserve is based, unless the person appearing
10 entitled thereto has within the preceding [seven (7)] five (5)
11 years, (i) assigned, readjusted or paid premiums on the policy,
12 or subjected the policy to loan, or (ii) corresponded in writing
13 with the insurer concerning the policy.

14 2. If a person other than the insured or annuitant is
15 entitled to the funds and no address of such person is known to
16 the insurer or if it is not definite and certain from the
17 records of the insurer what person is entitled to the funds, it
18 is presumed that the last known address of the person entitled
19 to the funds is the same as the last known address of the
20 insured or annuitant according to the records of the insurer.

21 3. Moneys otherwise payable according to the records of the
22 insurer are deemed due and payable although the policy or
23 contract has not been surrendered as required.

24 (b) In the case of insurance other than life insurance, the
25 following property held or owing by an insurer is presumed
26 abandoned and unclaimed:

27 1. Any moneys held or owing by an insurer as established by
28 its records under any contract of insurance other than annuity
29 or life insurance, including premiums or deposits returnable or
30 dividends payable to policy or contract holders or other persons

1 entitled thereto, unclaimed and unpaid for more than [seven (7)]
2 five (5) years after the moneys have or shall become due and
3 payable under the provisions of such contracts of insurance.

4 2. If a person other than the insured, the principal or the
5 claimant is entitled to the funds and no address of such person
6 is known to the insurer or if it is not definite and certain
7 from the records of the insurer what person is entitled to the
8 funds, it is presumed that the last known address of the person
9 entitled to the funds is the same as the last known address of
10 the insured, the principal or the claimant according to the
11 records of the insurer.

12 Section 1301.5. Property Held by Utilities.--The following
13 funds held or owing by any utility are presumed abandoned and
14 unclaimed:

15 1. Any customer advance, toll, deposit or collateral
16 security or any other property held by any utility if under the
17 terms of an agreement the advance, toll, deposit, collateral
18 security or other property is due to or demandable by the owner
19 and has remained unclaimed for [seven (7)] five (5) years or
20 more from the date when it first became due to or demandable by
21 the owner under the agreement.

22 2. Any sum which a utility has been ordered to refund, less
23 any lawful deductions, and which has remained unclaimed by the
24 person appearing on the records of the utility entitled thereto
25 for two (2) years or more after the date it became payable in
26 accordance with the final order providing for the refund.

27 Section 1301.6. Property Held by Business Associations.--The
28 following property held or owing by a business association is
29 presumed abandoned and unclaimed:

30 1. The consideration paid for a gift certificate which has

1 remained unredeemed for two (2) years or more after its
2 redemption period has expired or for [seven (7)] five (5) years
3 or more from the date of issuance if no redemption period is
4 specified.

5 2. Any certificate of stock or participating right in a
6 business association, for which a certificate has been issued or
7 is issuable but has not been delivered, whenever the owner
8 thereof has not claimed such property, or corresponded in
9 writing with the business association concerning it, within
10 [seven (7)] five (5) years after the date prescribed for
11 delivery of the property to the owner.

12 3. Any sum due as a dividend, profit, distribution, payment
13 or distributive share of principal held or owing by a business
14 association, whenever the owner has not claimed such sum or
15 corresponded in writing with the business association concerning
16 it within [seven (7)] five (5) years after the date prescribed
17 for payment or delivery.

18 4. Any sum due as principal or interest on the business
19 association's bonds or debentures, or coupons attached thereto,
20 whenever the owner has not claimed such sum or corresponded in
21 writing with the business association concerning it within
22 [seven (7)] five (5) years after the date prescribed for
23 payment.

24 5. Any sum or certificate or participating right due by a
25 cooperative to a participating patron, whenever the owner has
26 not claimed such property, or corresponded with the cooperative
27 concerning the same within [seven (7)] five (5) years after the
28 date prescribed for payment or delivery.

29 Section 1301.8. Property Held by Fiduciaries.--The following
30 property held by fiduciaries is presumed abandoned and

1 unclaimed:

2 All property held in a fiduciary capacity for the benefit of
3 another person, unless the owner within [seven (7)] five (5)
4 years after it has or shall become payable or distributable has
5 increased or decreased the principal, accepted payment of
6 principal or income, corresponded in writing concerning the
7 property or otherwise indicated an interest therein as evidenced
8 by a writing on file with the fiduciary.

9 Section 3. Section 1301.9 of the act, amended May 16, 1986
10 (P.L.197, No.60), is amended to read:

11 Section 1301.9. Property Held by Courts and Public Officers
12 and Agencies.--The following property is presumed abandoned and
13 unclaimed:

14 1. Except as provided in clause 2, all property held for the
15 owner by any court, public corporation, public authority or
16 instrumentality of the United States, the Commonwealth, or any
17 other state, or by a public officer or political subdivision
18 thereof, unclaimed by the owner for more than [seven (7)] five
19 (5) years from the date it first became demandable or
20 distributable.

21 2. Bicycles held for the owner by a municipality unclaimed
22 by the owner for more than ninety (90) days from the date it
23 first became demandable or distributable.

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

30 4. Bicycles held by or acquired by the Commonwealth for

1 ninety (90) days may be disposed of at public auction at such
2 time and place as may be designated by the [Secretary of
3 Revenue] State Treasurer. Proceeds of such sale or sales shall
4 be deposited in the General Fund.

5 5. All property held by or subject to the control of any
6 court, public corporation, public authority or instrumentality
7 of the Commonwealth or by a public officer or political
8 subdivision thereof, which is without a rightful or lawful
9 owner, to the extent not otherwise provided for by law, held for
10 more than one year.

11 Section 4. Section 1301.10 of the act, added December 9,
12 1982 (P.L.1057, No.248), is amended to read:

13 Section 1301.10. Miscellaneous Property Held for or Owing to
14 Another.--The following property, held or owing to any owner, is
15 presumed abandoned and unclaimed:

16 All property, not otherwise covered by this article, that is
17 admitted in writing by the holder and adjudicated to be due,
18 that is held or owing in the ordinary course of the holder's
19 business, and that has remained unclaimed by the owner for more
20 than [seven (7)] five (5) years after it became payable or
21 distributable is presumed abandoned and unclaimed.

22 Section 5. Section 1301.11 of the act, amended May 16, 1986
23 (P.L.197, No.60), December 12, 1994 (P.L.1015, No.138) and
24 December 15, 1999 (P.L.942, No.66), is amended to read:

25 Section 1301.11. Report of Property Subject to Custody and
26 Control of the Commonwealth under this Article.--(a) Every
27 person holding property which became subject to custody and
28 control of the Commonwealth under this article during the
29 preceding year shall report to the [secretary] State Treasurer
30 as hereinafter provided.

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

2 1. Except with respect to travelers checks and money orders,
3 the name, if known, social security number, if known, and last
4 known address, if any, of each person appearing from the records
5 of the holder to be the owner of any property of the value of
6 [twenty-five dollars (\$25)] fifty dollars (\$50) or more;

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

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

17 4. Other information which the [secretary] State Treasurer
18 prescribes by rules or regulations as necessary for
19 administration of this article.

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

26 (d) The report shall be filed on or before April 15 of the
27 year following the year in which the property first became
28 subject to custody and control of the Commonwealth under this
29 article. The [secretary] State Treasurer may postpone for a
30 period not exceeding six (6) months the reporting date upon

1 written request by any person required to file a report.

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

11 (f) Subsequent to the filing of the reports required by this
12 section, the State Treasurer shall compile a list of the
13 abandoned and unclaimed property contained in the reports. The
14 listing shall contain the names, [amount of value] items of
15 property and last known addresses, if any, of the owners listed
16 in the reports. [The listing shall not be available to any
17 person for examination, inspection or copying prior to twenty-
18 four (24) months after the reports have been filed with or
19 payment or delivery of the property has been made to the State
20 Treasurer. After the twenty-four-month period provided for in
21 this section, the] The State Treasurer shall, after the
22 notification period provided for in section 1301.12, make the
23 listing available for examination, inspection or copying at fees
24 to be determined by the State Treasurer.

25 (g) All agreements or powers of attorney to recover or
26 collect abandoned and unclaimed property contained in the
27 reports filed under this article [which are made within twenty-
28 four (24) months after the date that the reports have been filed
29 with the State Treasurer shall be void.

30 (h) All such agreements entered into after the twenty-four-

1 month period] shall be valid and enforceable only if the
2 agreements:

3 1. are in writing and duly signed and acknowledged by the
4 owner;

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

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

9 4. disclose the name and address of the holder and, if
10 known, whether the abandoned and unclaimed property has been
11 paid or delivered to the State Treasurer.

12 (i) Subsection (g) shall not apply to any agreement or power
13 of attorney entered into between the personal representative,
14 guardian, trustee or other person in a representative capacity
15 to the owner of the property in which such person has an
16 interest for a fixed fee or hourly or daily rate not contingent
17 upon the discovery of property or the value of property
18 discovered: Provided, however, That any such agreement under
19 this subsection for the purpose of evading the provisions of
20 subsection (g) shall be void.

21 (j) Nothing in this section shall be construed to prevent an
22 owner from asserting at any time that any agreement to locate or
23 reveal abandoned and unclaimed property reported to the State
24 Treasurer is based on an excessive or unjust consideration.

25 (k) To the maximum extent feasible, the State Treasurer
26 shall be entitled to request and receive and shall utilize and
27 be provided with such facilities, resources and data of any
28 court, department, division, board, bureau, commission or agency
29 of the Commonwealth or any political subdivision thereof as it
30 may reasonably request to carry out properly its powers and

1 duties hereunder.

2 Section 6. Section 1301.12 of the act, amended May 16, 1984
3 (P.L.197, No.60) and December 15, 1999 (P.L.942, No.66), is
4 amended to read:

5 Section 1301.12. Notice and Publication of Lists of Property
6 Subject to Custody and Control of the Commonwealth under this
7 Article.--(a) Within [nine (9)] twelve(12) months from the
8 filing of the report required by section 1301.11, the
9 [secretary] State Treasurer shall cause notice to be published
10 at least once [each week for two (2) successive weeks] in an
11 English language newspaper of general circulation in the county
12 in which the owner of the property had a last known address
13 appearing from the verified report filed by the holder or, if
14 there is no name or address or the owner is not a Pennsylvania
15 resident, then at least one time in the Pennsylvania Bulletin.

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

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

22 2. A statement that information concerning the amount or
23 description of the property and the name and address of the
24 holder may be obtained by any persons possessing an interest in
25 the property by addressing an inquiry to the holder;

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

30 (c) The [secretary] State Treasurer is not required to

1 publish in such notice any item of less than one hundred dollars
2 (\$100) unless [he] State Treasurer deems such publication to be
3 in the public interest.

4 (d) Within [~~six (6)~~] nine (9) months from the receipt of the
5 report required by section 1301.11, the [secretary] State
6 Treasurer shall mail a notice to each person having an address
7 listed who appears to be entitled to property of the value of
8 one hundred dollars (\$100) or more subject to custody and
9 control of the Commonwealth under this article. The mailed
10 notice shall contain:

11 1. A statement that, according to a report filed with the
12 [secretary] State Treasurer, property is being held to which the
13 addressee appears entitled;

14 2. The name and address of the holder of the property and
15 any necessary information regarding changes of name and address
16 of the holder;

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

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

24 Section 7. Section 1301.13 of the act, amended May 16, 1984
25 (P.L.197, No.60), is amended to read:

26 Section 1301.13. Payment or Delivery.--(a) Every person who
27 holds property subject to the custody and control of the
28 Commonwealth shall, [within sixty (60) days after receipt of
29 written demand from the secretary and] after compliance with
30 section [1301.12] 1301.11, where required, and on or before

1 April 15 of the year following the year in which the property
2 first became subject to custody and control of the Commonwealth
3 under this article, pay or deliver to the [secretary] State
4 Treasurer all property subject to custody and control of the
5 Commonwealth under this article, except that, if the owner
6 establishes his right to receive the property to the
7 satisfaction of the holder, or if it appears that for some other
8 reason the property is not then subject to custody and control
9 of the Commonwealth under this article, the holder need not pay
10 or deliver the property to the [secretary] State Treasurer, but
11 in lieu thereof shall file a verified written explanation of the
12 proof of claim or as to the reason the property is not subject
13 to custody and control of the Commonwealth.

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

16 (c) Notwithstanding subsection (a) of this section, in the
17 case of the deposits and the sums payable under clauses 1 and 3
18 of section 1301.3 the amount of such deposits and such sums
19 shall be paid to the [secretary] State Treasurer on or before
20 the final date for filing the report required by section
21 1301.11.

22 (d) Any person who holds property which may become subject
23 to the custody and control of the Commonwealth pursuant to this
24 act may, with the consent of the [secretary] State Treasurer,
25 report and deliver such property prior to the expiration of any
26 holding period specified for such reporting. Any person who pays
27 or delivers property prior to the expiration of such holding
28 period shall be relieved of further liability pursuant to
29 section 1301.14. Property thus reported may be disposed of
30 pursuant to [sections 1301.12 and] section 1301.17, but in no

1 event shall the period for filing of claims be diminished by
2 such early delivery or disposition.

3 Section 8. Sections 1301.14, 1301.15 and 1301.16 of the act,
4 added December 9, 1982 (P.L.1057, No.248), are amended to read:

5 Section 1301.14. Relief from Liability by Payment or
6 Delivery.--Upon the payment or delivery of the property to the
7 [secretary] State Treasurer, the Commonwealth shall assume
8 custody and shall be responsible for the safekeeping thereof.
9 Any person who pays or delivers property to the [secretary]
10 State Treasurer under this article is relieved of all liability
11 with respect to the safekeeping of such property so paid or
12 delivered for any claim which then exists or which thereafter
13 may arise or be made in respect to such property. Any holder who
14 has paid moneys to the [secretary] State Treasurer pursuant to
15 this article may make payment to any person appearing to such
16 holder to be entitled thereto. In the case of deposits and sums
17 paid to the [secretary] State Treasurer under subsection (c) of
18 section 1301.13, financial institutions shall make payment to
19 any person appearing to such financial institution to be
20 entitled thereto. Upon proof of such payment by a holder and
21 proof that the payee was entitled thereto, the [secretary] State
22 Treasurer shall forthwith reimburse the holder for such payment
23 together with interest from the date of receipt of such proofs
24 by the [secretary] State Treasurer to a date within thirty (30)
25 days of the date of mailing of the reimbursement. Interest under
26 this section shall be at the rate prevailing for tax over
27 payments on the date of receipt of the proofs by the [secretary]
28 State Treasurer as provided for in section 806 of this act.

29 Section 1301.15. Income Accruing After Payment or
30 Delivery.--When property is paid or delivered to the [secretary]

1 State Treasurer under this article, the owner is entitled to
2 receive income or other increments actually received by the
3 [secretary] State Treasurer.

4 Section 1301.16. Periods of Limitation.--Except as
5 hereinbelow set forth, the expiration of any period of time
6 specified by statute or court order, during which an action may
7 be commenced or maintained, or could have been commenced or
8 maintained, by the owner against the holder of the property,
9 shall not prevent such property from being subject to the
10 custody and control of the Commonwealth under this article, nor
11 affect the duty to file a report or to pay or deliver the
12 property to the [secretary] State Treasurer, as required by this
13 article, nor bar any action by the [secretary] State Treasurer
14 under this article, provided that:

15 1. If any holder required to file a report under any act in
16 effect prior to the effective date of this article, or under
17 this article, has filed or files a report, no action shall be
18 commenced or maintained against such holder unless it has been
19 or is commenced within fifteen (15) years after such report has
20 been or is filed.

21 2. If any holder was not required to file a report under any
22 act in effect prior to the effective date hereof, no action
23 shall be commenced or maintained unless it has been or is
24 commenced within fifteen (15) years after the property first
25 became escheatable or payable into the State Treasury without
26 escheat.

27 Section 9. Section 1301.17 of the act, amended May 16, 1986
28 (P.L.197, No.60), is amended to read:

29 Section 1301.17. Disposition of Property.--(a) Within a
30 reasonable time after delivery to [him] the State Treasurer of

1 any property under this article, the [secretary] State Treasurer
2 may sell it to the highest bidder at public sale in whatever
3 city in the Commonwealth affords, in [his] the State Treasurer's
4 judgment, the most favorable market for the property involved.
5 The [secretary] State Treasurer may decline the highest bid or
6 reoffer the property for sale if [he] the State Treasurer
7 considers the price bid insufficient. [He] The State Treasurer
8 need not offer any property for sale, if, in [his] the State
9 Treasurer's opinion, the probable cost of sale exceeds the value
10 of the property.

11 (b) If the property is of a type customarily sold on a
12 recognized market or of a type which is subjected to widely
13 distributed standard price quotations, the [secretary] State
14 Treasurer may sell the property without notice by publication or
15 otherwise. The language provided in this section grants to the
16 State Treasurer, express authority to sell any property
17 including, but not limited to, stocks, bonds, notes, bills and
18 all other public or private securities.

19 (c) Property reported or delivered to the custody or control
20 of the [secretary] State Treasurer pursuant to this act may be
21 donated to the use of the Commonwealth or any of its political
22 subdivisions or otherwise consumed or discarded, at the
23 discretion of the [secretary] State Treasurer where, in the
24 opinion of the [secretary] State Treasurer, the costs associated
25 with delivery, notice or sale exceed the value of the property.
26 Property which is refused or is to be donated to the use of a
27 political subdivision shall first be offered to the political
28 subdivision which holds the property. A donee or purchaser at
29 any sale conducted by the [secretary] State Treasurer pursuant
30 to this article shall receive title to the property purchased,

1 free from all claims of the owner or prior holder thereof and of
2 all persons claiming through or under them. The [secretary]
3 State Treasurer shall execute all documents necessary to
4 complete the transfer of title.

5 (d) The State Treasurer shall be responsible to an owner only
6 for the amount actually received by the State Treasurer upon the
7 sale of any property pursuant to subsections (a), (b) and (c).

8 Section 10. Sections 1301.18, 1301.19, 1301.20 and 1301.21,
9 added December 9, 1982 (P.L.1057, No.248), are amended to read:

10 Section 1301.18. Deposit of Funds.--(a) All funds received
11 under this article, including the proceeds from the sale of
12 property under section 1301.17, shall forthwith be deposited by
13 the [secretary] State Treasurer in the General Fund of the
14 Commonwealth, except that the [secretary] State Treasurer shall
15 retain in a separate trust fund an amount not exceeding twenty-
16 five thousand dollars (\$25,000) plus twenty per centum of
17 deposits and sums paid to the [secretary] State Treasurer under
18 subsection (c) of section 1301.13 during the preceding twelve
19 (12) months from which [he] the State Treasurer shall make
20 reimbursements under section 1301.14 and prompt payment of
21 claims duly allowed under section 1301.19. Before making the
22 deposit [he] the State Treasurer shall record the name and last
23 known address of each person appearing from the holders' reports
24 to be entitled to the property and of the name and last known
25 address of each insured person or annuitant, and with respect to
26 each policy or contract listed in the report of an insurer, its
27 number, the name of the insurer and the amount due. The record
28 with respect to any specific claim shall be available to the
29 claimant at all regular business hours.

30 (b) Before making any deposit to the credit of the General

1 Fund, the [secretary] State Treasurer may deduct:

2 (i) Reasonable costs in connection with sale of the
3 property,

4 (ii) Reasonable costs of mailing and publication in
5 connection with any property, and

6 (iii) Reasonable service charges.

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

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

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

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

1 act. The action shall be tried de novo without a jury.

2 Section 11. Section 1301.22 of the act, amended May 16, 1986
3 (P.L.197, No.60), is amended to read:

4 Section 1301.22. Election to Take Payment or Delivery.--The
5 [secretary] State Treasurer may decline to receive any item of
6 property reported, in which event the holder thereof shall be
7 discharged of any liability to the Commonwealth with respect
8 thereto. Unless the holder of the property is notified to the
9 contrary within [one hundred twenty (120)] ninety (90) days
10 after filing the report required under section 1301.11, the
11 [secretary] State Treasurer shall be deemed to have elected to
12 receive the custody of the property.

13 Section 12. Sections 1301.23, 1301.24, 1301.25, 1301.26 and
14 1301.28 of the act, added December 9, 1982 (P.L.1057, No.248),
15 are amended to read:

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

23 (b) If a holder fails after the effective date of this
24 subsection to maintain the records required or the records of
25 the holder available for the periods subject to this act are
26 insufficient to permit the preparation of a report, the State
27 Treasurer may require the holder to report and pay the amount
28 the State treasurer may reasonably estimate on the basis of any
29 available records of the holder or on the basis of any other
30 reasonable method of estimation that the State Treasurer may

1 select.

2 Section 1301.24. Proceeding to Compel Reporting or
3 Delivery.--(a) If any person refuses to report or deliver
4 property to the [secretary] State Treasurer as required under
5 this article, the Commonwealth shall bring an action in a court
6 of appropriate jurisdiction to enforce reporting or delivery. In
7 any such action the Pennsylvania Rules of Civil Procedure shall
8 apply, including without limitation those pertaining to
9 discovery.

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

20 Section 1301.25. Penalties.--(a) Any person who, without
21 proper cause, fails to render any report or perform other duties
22 required under this article, shall, upon conviction in a summary
23 proceeding be sentenced to pay a fine of [ten dollars (\$10)] one
24 hundred dollars (\$100) for each day such report is withheld, but
25 not more than [one thousand dollars (\$1,000)] ten thousand
26 dollars (\$10,000).

27 (b) Any person who, without proper cause, refuses to pay or
28 deliver property to the [secretary] State Treasurer as required
29 under this article shall be guilty of a misdemeanor and, upon
30 conviction thereof, shall be sentenced to pay a fine of not less

1 than [one hundred dollars (\$100)] one thousand dollars (\$1,000)
2 nor more than [one thousand dollars (\$1,000)] ten thousand
3 dollars (\$10,000), or imprisonment for not more than [twelve
4 (12)] twenty-four (24) months, or both.

5 (c) Upon good cause shown, the State Treasurer may waive, in
6 whole or in part, interest and penalties under subsections (a)
7 and (b), and shall waive penalties if the holder acted in good
8 faith and without negligence.

9 Section 1301.26. Rules and Regulations.--The [secretary]
10 State Treasurer is hereby authorized to make necessary rules and
11 regulations to carry out the provisions of this article.

12 [Section 1301.28. Exclusions.--The provisions of this
13 article shall not apply to nonprofit hospitalization
14 corporations or nonprofit medical service corporations.]

15 Section 13. The act is amended by adding a section to read:

16 Section 1301.28a. Interdepartmental Cooperation.--The
17 Department of Revenue, the Department of Transportation and the
18 head of any other department, board, commission, agency or
19 instrumentality of the Commonwealth shall, unless otherwise
20 prohibited by law, disclose to the Treasury Department any
21 information which may be of assistance in locating individuals
22 listed in the Treasury Department's records as owners of
23 unclaimed property. The information shall include, but is not
24 limited to, last known addresses. Upon receipt, the Treasury
25 Department shall keep this information confidential and shall
26 use it solely to assist in the process of returning unclaimed
27 property to its rightful owner.

28 Section 14. Section 1301.29 of the act, added December 9,
29 1982 (P.L.1057, No. 248), is amended to read:

30 Section 1301.29. Repeal.--The act of August 9, 1971

1 (P.L.286, No.74), known as the "Disposition of Abandoned and
2 Unclaimed Property Act," [is] and all other provisions of law
3 which are inconsistent with this article are hereby repealed.

4 Section 15. This act shall take effect immediately.