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Senate Bill 125 (as introduced 2-26-19)  
Sponsor: Senator Tom Barrett  
Committee: Families, Seniors and Veterans

Date Completed: 10-23-19

## **CONTENT**

**The bill would amend the Uniform Unclaimed Property Act to do the following:**

- Specify that the provisions that modified the dormancy periods in a previous Public Act would not apply if the property owner were on active duty military service instead of an active duty military service outside of the United States.**
- Modify the date by which a report pertaining to unclaimed property would have to be filed.**

Under the Act, the provisions of Public Act 197 of 2010 that modified the dormancy period do not apply if the owner of the property is on active duty military service outside the United States. Under the bill, this would apply if the owner of the property were on active duty military service.

(Public Act 197 of 2010 generally reduced, from five years to three years, the dormancy periods before unclaimed property must be turned over (escheat) to the State.)

The Act also provides that a person holding property presumed abandoned and subject to the State's custody as unclaimed property must report to the Administrator concerning the property. The report must be verified and must include certain information pertaining to the property and the holder of the property. ("Administrator" means the State Treasurer.)

Except as otherwise provided, the report must be filed on or before November 1 of each year for the 12-month period ending on the immediately preceding June 30. For years ending after December 31, 2011, the report must be filed on or before July 1 of each year for the 12-month period ending on the immediately preceding March 31.

Under the bill, except as otherwise provided, the report instead would have to be filed before July 2 of each year for the 12-month period ending on the immediately preceding March 31.

## **BACKGROUND**

The Uniform Unclaimed Property Act governs the disposition of unclaimed property in Michigan. The Act concerns tangible and intangible property owned by an individual, business associate, state or other government, government agency, public corporation, public authority, estate, trust, two or more entities having a joint or common interest, or any other legal or commercial entity. Before unclaimed property must escheat to the State, it must undergo a dormancy period, i.e., a specific amount of time must elapse before property can be considered dormant or abandoned.

**FISCAL IMPACT**

The bill would have no fiscal impact on State or local government. The application of the unclaimed property dormancy period exception to active duty military members stationed within the United States would not result in a significant cost increase for the Department of Treasury.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.