

SB 488 -- Redline

File No. 580 to Chaptered -- AN ACT IMPLEMENTING THE TREASURER'S RECOMMENDATIONS FOR REVISIONS TO THE UNCLAIMED PROPERTY PROGRAM AND SECOND INJURY FUND.

Deletions ~~struck~~ · Insertions underlined

Substitute Senate General Bill Assembly File No.

580488 February Public Session, Act 2026 Substitute Senate Bill No.

48826-94 Senate, AN April ACT 9, IMPLEMENTING 2026 THE TREASURER'S Committee RECOMMENDATIONS on FOR Government REVISIONS Administration TO and THE Elections UNCLAIMED reported PROPERTY through PROGRAM SEN. AND SECOND INJURY FUND.

~~FLEXER of the 29th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.~~

~~AN ACT IMPLEMENTING THE TREASURER'S RECOMMENDATIONS FOR REVISIONS TO THE UNCLAIMED PROPERTY PROGRAM AND SECOND INJURY FUND.~~

(2) "Banking organization" means any state bank and trust company, ~~SSB488 national banking association or File savings bank engaged in business in No. this state;~~

580(3) 1 "Business SSB488 association" File means a corporation, joint stock company, partnership, unincorporated association, joint venture, limited liability Substitute Senate Bill No.

580488 national banking company, association or business savings bank engaged in business in trust, this trust state; company, safe deposit company, financial organization, insurance company, person engaged in the business of operating or controlling a mutual fund, utility or other business entity consisting of one or more persons, whether or not for profit;

~~(3) "Business association" means a corporation, joint stock company, partnership, unincorporated association, joint venture, limited liability company, business trust, trust company, safe deposit company, financial organization, insurance company, person engaged in the business of operating or controlling a mutual fund, utility or other business entity consisting of one or more persons, whether or not for profit;~~

(A) A record communicated by the apparent owner to the holder or an agent of the holder concerning the property or the account in which the property is held, (B) an oral ~~SSB488 communication by File the apparent owner to the holder or agent of the holder concerning the property or the account in which the property is~~ Public Act No.

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580488 communication by the apparent owner to the holder or agent of the holder concerning the property or the account in which the property is held, where such holder or agent contemporaneously makes and preserves a record of such communication, (C) presentment of a check or other instrument of payment of a dividend, interest payment or other distribution by the apparent owner, (D) activity directed by an apparent owner in the account in which the property is held, including including, but not limited to, accessing the account or information concerning the account, or a direction by the apparent owner to increase, decrease or otherwise change the amount or type of property held in the account, (E) a activity deposit directed into, by or an withdrawal apparent from, owner an in any other account at a business association, a banking organization or a financial organization that is the holder or an agent of the holder of the account in which the property is held by the apparent owner, including, but not limited to, (i) a deposit into or withdrawal from such other account, except for an automatic deposit or withdrawal previously authorized by the apparent owner or an automatic reinvestment of dividends or interest, (ii) presentment of a passbook or other similar evidence of a deposit into such other account for the crediting of interest, or (iii) making a payment to such business association, banking organization or financial organization for the principal or interest due on a loan made by such business association, banking organization or financial organization to the apparent owner, and (F) any other action by the apparent owner which that reasonably demonstrates to the holder that the apparent owner knows the property exists.

[(8)] (9) "Insurance company" means an association, corporation or fraternal or mutual benefit organization, whether or not for profit, engaged in the business of providing life endowments, annuities or insurance, including accident, burial, casualty, credit life, contract performance, dental, disability, fidelity, fire, health, hospitalization, illness, life, malpractice, marine, mortgage, surety, wage protection and ~~workers' Public compensation Act insurance; No.~~

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488 workers' compensation insurance;

SSB488 [(10)] (11) File "Mineral" No. means gas;

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580 [(10)] (11) "Mineral" means gas;

[(13)] (14) "Person" means any individual, business association, estate, trust, government, governmental subdivision, agency or ~~instrumentality, Public or Act any No. other legal or commercial entity;~~
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488 instrumentality, or any other legal or commercial entity;

~~[(16)](17)"Treasurer"meanstheTreasurerofthestateof~~[(16)](17)"Treasurer"meanstheTreasurerofthestateofConn
ecticut;-Connecticut;

[(17)] (18) "Utility" means a person who owns or operates for public ~~sSB488use /any Fileplant,~~
~~No, equipment, real property, franchise or license for the transmission of communications or the~~
~~production, storage, transmission, sale, delivery or furnishing of electricity, water, steam or gas;~~

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~~580 use any plant, equipment, real property, franchise or license for the transmission of communications~~
~~or the production, storage, transmission, sale, delivery or furnishing of electricity, water, steam or~~
~~gas;~~

(b) As used in this section, "unclaimed funds" means all moneys held and owing by any insurance company unclaimed and unpaid for more than three years after the moneys became due and payable as ~~establishedPublic fromAct theNo. records of a life insurance company under any life or endowment~~
~~insurance policy or annuity contract which has matured or terminated or after the moneys became due and~~
~~payable as established from the records of any other insurance company.~~

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488 established from the records of a life insurance company under any life or endowment insurance
policy or annuity contract which has matured or terminated or after the moneys became due and payable as
established from the records of any other insurance company.

~~sSB488The /application Fileof No,an automatic premium loan provision or other nonforfeiture provision~~
~~contained in an insurance policy does not prevent the policy from being deemed matured or terminated for~~
~~purposes of this section if the insured has died or the insured or a beneficiary of the policy have~~
~~otherwise become entitled to the proceeds thereof before the depletion of the cash surrender value of a~~
~~policy subject to such provisions.~~

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~~580 The application of an automatic premium loan provision or other nonforfeiture provision contained in~~
~~an insurance policy does not prevent the policy from being deemed matured or terminated for purposes of~~
~~this section if the insured has died or the insured or a beneficiary of the policy have otherwise become~~
~~entitled to the proceeds thereof before the depletion of the cash surrender value of a policy subject to~~
~~such provisions.~~

(1) [that] The funeral service contract was entered into seventy-five years or more ago, (2) [for which] the funeral service establishment has received affirmative notification of the death of the beneficiary of such contract, or (3) [for which] the beneficiary of such ~~contractPublic hasAct reachedNo. the age of~~
~~one hundred ten years.~~

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488 contract has reached the age of one hundred ten years.

Such notice ~~sSB488shall /inform Filethe No,owner that evidence of interest must be indicated as required~~
~~by this part or such property will be transferred to the Treasurer and will be subject to escheat to the~~
~~state.~~

~~580If 6the sSB488property Filepresumed No,abandonedisa security,virtualcurrency ortangible property from~~
~~a safe deposit box, the holder's notice shall indicate that such property may be liquidated either prior~~
~~to or following its reporting to the Treasurer and that after such liquidation will be limited to the~~
~~proceeds of such liquidation.~~

~~580 shall inform the owner that evidence of interest must be indicated as required by this part or such~~
~~property will be transferred to the Treasurer and will be subject to escheat to the state.~~

~~If the property presumed abandonedisasecurity,virtualcurrency ortangible property from a safe deposit~~
~~box, the holder's notice shall indicate that such property may be liquidated either prior to or~~
~~following its reporting to the Treasurer and that after such liquidation will be limited to the proceeds~~
~~of such liquidation.~~

(1) The name, if known, last- ~~knownPublic physicalAct andNo. electronic mail address, if any, and last-~~
~~known telephone number, if any, of each person appearing to be the owner of such property;~~

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488 known physical and electronic mail address, if any, and last-known telephone number, if any, of each
person appearing to be the owner of such property;

Any such request shall include an affidavit by a duly ~~sSB488authorized /officer Fileof No,the holder~~
~~describing the efforts made to provide notice to the rightful owner, affirming that such notice was~~
~~completed at least six months prior to the date of the affidavit, and that the holder has not received a~~
~~communication from the owner that indicated an interest in such property.~~

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~~580 authorized officer of the holder describing the efforts made to provide notice to the rightful owner, affirming that such notice was completed at least six months prior to the date of the affidavit, and that the holder has not received a communication from the owner that indicated an interest in such property.~~

~~[(d)] (e) (1) The Treasurer shall keep a permanent record of all reports submittedPublic toAct theNo. Treasurer pursuant to this section.~~

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~~488 submitted to the Treasurer pursuant to this section.~~

~~[(g)] (h) The Treasurer, or any officer or agency designated by the cSB488Treasurer, /may Fileexamine No.any person on oath or affirmation, or the records of any person or any agent of the person including, but not limited to, a dividenddisbursement agent ortransfer agentofabusiness association, banking organization or insurance company that is the holder of property presumed abandoned to determine whether the person or agent has complied with this part.The Treasurer may conduct the examination even if the person or agent believes the person or agent is not in possession of any property that must be paid, delivered or reported under this part.~~

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~~580 Treasurer, may examine any person on oath or affirmation, or the records of any person or any agent of the person including, but not limited to, a dividenddisbursement agent ortransfer agentofabusiness association, banking organization or insurance company that is the holder of property presumed abandoned to determine whether the person or agent has complied with this part.The Treasurer may conduct the examination even if the person or agent believes the person or agent is not in possession of any property that must be paid, delivered or reported under this part.~~

~~[(h)](i)APublic recordoftheissuanceAct ofacheck,draftNo. orsimilar instrument is prima facie evidence of the obligation represented by the check, draft or similar instrument.~~

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~~488 [(h)](i)A recordoftheissuance ofacheck,draft orsimilar instrument is prima facie evidence of the obligation represented by the check, draft or similar instrument.~~

A holder of tangible, personal property may contract with a third party to store and sell such property and to pay the proceeds arising from such sale, excluding any charges that may be lawfully withheld, to the Treasurer, provided the third party holds a surety bond or other form of insurance ~~cSB488~~coverage ~~/with File~~respect No.to such activities.

~~580Any holder cSB488who Filesells property pursuant to subsection (a) of section 3-57a or section 3-57b and remits the excess proceeds to the Treasurer or who transmits tangible, personal property to a bonded or insured third party for such purposes, shall not be responsible for any claims related to the sale or transmission of the propertyorproceedsto theTreasurer.IftheTreasurerexemptsanysuch property from being remitted or sold pursuant to this subsection, whether by regulations or guidelines, the holder of such property may Public Act No.~~

~~58026-94 coverage10 withof respect21 toSubstitute suchSenate activities,Bill No.~~

~~Any488 holder who sells property pursuant to subsection (a) of section 3-57a or section 3-57b and remits the excess proceeds to the Treasurer or who transmits tangible, personal property to a bonded or insured third party for such purposes, shall not be responsible for any claims related to the sale or transmission of the propertyorproceedsto theTreasurer.IftheTreasurerexemptsanysuch property from being remitted or sold pursuant to this subsection, whether by regulations or guidelines, the holder of such property may dispose of such property in any manner such holder deems appropriate and such holder shall not be responsible for any claims related to the disposition of such property or any claims to the property itself.~~

(NEW) (d) ~~ExceptPersonal asinformation otherwiseof providedowners contained in the records of the Treasurer, including those derived from holder reports and records not published on the searchable list required under this chapter,section, personalshall informationbe ofexempt ownersfrom containeddisclosure inunder the recordsFreedom of theInformation Treasurer,Act, cSB488as /defined Filein No-section 1-200.~~

~~580Nothing 10in cSB488this Filesection prohibits disclosure of such personal information for purposes directly connected with the administrationofthischapter by theTreasurer or theTreasurer'sagents, including disclosure to other government officials while using Public Act No.~~

~~58026-94 including11 those derived from holder reports and records, shall not be disclosed or made available for public inspection under the Freedom of Information21 Act,Substitute asSenate definedBill inNo. section 1-200, and shall only be disclosed for purposes directly connected with the administration of this chapter by the Treasurer or the Treasurer's agents.~~

~~488 appropriate confidentiality protections.~~

(c) (1) (A) No agreement entered into prior to January 1, 2023, to ~~cSB488~~locate ~~/property File~~shall ~~No-be valid if:~~

~~580(i) 11Such cSB488agreement Fileis entered into (I) Public Act No.~~

~~580~~26-94 locate~~12~~ property of shall~~21~~ beSubstitute validSenate if:Bill No.

~~(i)488 Such agreement is entered into (I)~~ within two years after the date a report of unclaimed property is required to be filed under section 3-65a, as amended by this act, or (II) between the date such a report is required to be filed under said section and the date it is filed under said section, whichever period is longer;

(B) In addition to the requirements set forth in subparagraph (B) of subdivision (1) of this subsection, an agreement entered into on or after January 1, 2025, to locate property shall be valid only if such agreement is in writing, is signed by the owner and clearly and conspicuously disclosesPublic ~~(i)Act the nature and value of the property, (ii) the owner's share~~ sSB488 / File No.

~~580~~26-94 1213 sSB488of File21 Substitute Senate Bill No.

~~580~~488 discloses (i) the nature and value of the property, (ii) the owner's share after the fee or compensation has been subtracted from such value, and (iii) that the owner may file a claim directly with the Treasurer at no cost and the method through which such claim may be filed.

~~(e)Public InAct the case of any claim allowed under this section for property, funds or money delivered to the Treasurer pursuant to subdivision (1) or (2) of subsection (a) of section 3-57a, the Treasurer shall pay such~~ sSB488 / File No.

~~580~~26-94 1314 sSB488of File21 Substitute Senate Bill No.

~~580~~488 (e) In the case of any claim allowed under this section for property, funds or money delivered to the Treasurer pursuant to subdivision (1) or (2) of subsection (a) of section 3-57a, the Treasurer shall pay such claim with interest as follows:

(f) Notwithstanding the provisions of subsection (a) of this section, where the amount of a property reported or transferred to the Treasurer under this part is at least ~~ten~~fifty dollars and less than two thousand five hundred dollars, the Treasurer shall pay such amount to an individual iftheTreasurerhasdetermined(1)thatsuchindividualisthesoleowner of such property, and (2) to the Treasurer's satisfaction, the current address of such individual.

Such affidavit shall be in a form prescribed by the Treasurer and shall include, at a minimum, (A) the claimant's affirmation that the claimant is the sole heir, or (B) attestation from all of the other heirs with aPublic validAct claimNo. ~~to the property confirming the rightful distribution of the property under the law.~~

~~(2)26-94 If15 a fiduciary of a21 decedentSubstitute estateSenate hasBill-been appointed by a Probate Court, but the decedent's estate was closed more than one year prior to the discovery of the relevant unclaimed property, upon a claimant's~~ sSB488 / File No.

~~580~~488 14a sSB488valid Fileclaim No.to the property confirming the rightful distribution of the property under the law.

~~580~~(2) If a fiduciary of a decedent estate has been appointed by a Probate Court, but the decedent's estate was closed more than one year prior to the discovery of the relevant unclaimed property, upon a claimant's furnishing of a certified claim and a sworn affidavit under penalty of perjury showing entitlement to such property.

[(h)] (i) Notwithstanding the provisions of subsection (a) of this section, where the sole owner of the abandoned property is reported as the office of the Secretary of the State, State Comptroller, Attorney General or State Treasurer?or a department within the executive branch, asPublic listedAct inNo. ~~section 4-38c, the Treasurer may submit a report to the Office of Policy and Management identifying the value of each property escheated and the applicable office or department that is the reported owner.~~

~~26-94 16 of 21 Substitute Senate Bill No.~~

488 as listed in section 4-38c, the Treasurer may submit a report to the Office of Policy and Management identifying the value of each property escheated and the applicable office or department that is the reported owner.

~~sSB488[(i)] /[(j) FileThe No.~~Treasurer may establish a programthat permitsthe owner of a claim allowed under this section for property, funds or money to donate such claim in its entirety to a charitable cause.

~~580 15 sSB488 File No.~~

~~580 [(i)] (j) The Treasurer may establish a programthat permitsthe owner of a claim allowed under this section for property, funds or money to donate such claim in its entirety to a charitable cause.~~

(a) Each jeweler, watchmaker, silversmith or television and radio service dealer who alters, repairs or does any work on any article of personal property at the request of the owner or legal possessor of the property has a lien upon and may retain the possession of the article untilPublic theAct chargesNo. ~~for the alteration, repairing or work have been paid.~~

~~26-94 17 of 21 Substitute Senate Bill No.~~

488 until the charges for the alteration, repairing or work have been paid.

No such sale shall be held until after thirty days' notice to the owner or legal possessor has been given by registered or certified mail at his last-known address, stating ~~sSB488the /time Fileand No.place~~

of sale.

~~580 16 sSB488 File No.~~

~~580 the time and place of sale.~~

~~(a)(1) For the purposes of this chapter, the average weekly wage shall be Public ascertained Act by No. dividing the total wages received by the injured employee from the employer in whose service the employee is injured during the fifty-two calendar weeks immediately preceding the week during which the employee was injured, by the number of calendar weeks during which, or any portion of which, the employee was actually employed by the employer, but, in making the computation, absence for seven consecutive calendar days, although not in the same calendar week, shall be considered as absence for a calendar week.~~

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488 be ascertained by dividing the total wages received by the injured employee from the employer in whose service the employee is injured during the fifty-two calendar weeks immediately preceding the week during which the employee was injured, by the number of calendar weeks during which, or any portion of which, the employee was actually employed by the employer, but, in making the computation, absence for seven consecutive calendar days, although not in the same calendar week, shall be considered as absence for a calendar week.

When the period of employment immediately preceding the injury is computed to be less than a net period of two calendar weeks, the employee's weekly wage sSB488 shall be File considered No. to be equivalent to the average weekly wage prevailing in the same or similar employment in the same locality at the date of the injury except that, when the employer has agreed to pay a certain hourly wage to the employee, the hourly wage so agreed upon shall be the hourly wage for the injured employee and the employee's average weekly wage shall be computed by multiplying the hourly wage by the regular number of hours that is permitted each week in accordance with the agreement.

~~580 17 sSB488 File No.~~

~~580 shall be considered to be equivalent to the average weekly wage prevailing in the same or similar employment in the same locality at the date of the injury except that, when the employer has agreed to pay a certain hourly wage to the employee, the hourly wage so agreed upon shall be the hourly wage for the injured employee and the employee's average weekly wage shall be computed by multiplying the hourly wage by the regular number of hours that is permitted each week in accordance with the agreement.~~

When the injured employee is a trainee or apprentice receiving a subsistence allowance from the United States because of war service, the allowance shall be added to the injured employee's Public actual Act earnings No. in determining the average weekly wage.

Where 26-94 the 19 injured employee has worked for more than one employer as of the 21 date Substitute of Senate the Bill injury and the average weekly wage received from the employer in whose employ the injured employee was injured, as determined under the provisions of this section, are insufficient to obtain the maximum weekly compensation rate from the employer under section 31-309, prevailing as of the date of the injury, the injured employee's average weekly wages shall be calculated upon the basis of wages earned from all such employers in the period of concurrent employment not in excess of fifty-two weeks prior to the date of the injury, but the employer in whose employ the injury occurred shall be liable for all medical and hospital costs and a portion of the compensation rate equal to seventy-five per cent of the average weekly wage paid by the employer to the injured employee, after such earnings have been reduced by any deduction for federal or state taxes, or both, and for the federal Insurance Contribution Act made from such sSB488 / File No.

~~580 488 18 employee's sSB488 actual File earnings No. in determining the average weekly wage.~~

580 Where the injured employee has worked for more than one employer as of the date of the injury and the average weekly wage received from the employer in whose employ the injured employee was injured, as determined under the provisions of this section, are insufficient to obtain the maximum weekly compensation rate from the employer under section 31-309, prevailing as of the date of the injury, the injured employee's average weekly wages shall be calculated upon the basis of wages earned from all such employers in the period of concurrent employment not in excess of fifty-two weeks prior to the date of the injury, but the employer in whose employ the injury occurred shall be liable for all medical and hospital costs and a portion of the compensation rate equal to seventy-five per cent of the average weekly wage paid by the employer to the injured employee, after such earnings have been reduced by any deduction for federal or state taxes, or both, and for the federal Insurance Contribution Act made from such employee's total wages received from such employer during the period of calculation of such average weekly wage, but not less than an amount equal to the minimum compensation rate prevailing as of the date of the injury.

(4) No claim for payment of retroactive benefits may be made to the Second Injury Fund more than two years from the date on which the employer or its insurer paid such benefits in accordance with this subsection, Public but Act in No. no event shall such claim for payment of retroactive benefits cover a period exceeding three years.

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488 subsection, but in no event shall such claim for payment of retroactive benefits cover a period exceeding three years.

The operating account shall cover the costs ~~SSB488 and /expenses~~ File to No. the state of operating the Second Injury Fund.

~~580 19 SSB488 File No.~~

~~580 and expenses to the state of operating the Second Injury Fund.~~

~~This Governor's act~~ Action: shall take effect as follows and shall amend the following sections:

~~Section~~ Approved 1 June July 4, 1, 2026 3-56a Public Sec. Act No.

~~226-94 July 21 1, of 2026 21 3-58a Sec.~~

~~3 July 1, 2026 3-61b(c) Sec.~~

~~4 July 1, 2026 3-65a Sec.~~

~~5 July 1, 2026 3-66a(d) July 1, 2026 Sec.~~

~~6 3-70a Sec.~~

~~7 July 1, 2026 49-60 Sec.~~

~~8 July 1, 2026 31-310(a) Sec.~~

~~9 July 1, 2026 31-354(b) Statement of Legislative Commissioners:~~

~~In Section 1(8)(C), "by the apparent owner" was added for clarity, and in Section 1(8)(E), "that is the holder or an agent of the holder of the account in which the property is held by the apparent owner" was added for clarity.~~

~~GAE Joint Favorable Substitute SSB488 / File No.~~

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~~580 The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose.~~

~~In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge.~~

~~Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.~~

~~OFA Fiscal Note State Impact:~~

~~See Below Municipal Impact:~~

~~None Explanation The bill makes various revisions to unclaimed property laws and the Second Injury Fund resulting in the fiscal impact described below.~~

~~Section 1 outlines certain actions that show apparent owners are aware of their property.~~

~~To the extent this results in property no longer being considered abandoned and therefore escheatable to the state, there is a potential revenue loss to the state that depends on the amounts of such property.~~

~~Section 2 specifies that automatic premium loan provisions or other nonforfeiture provisions do not prevent insurance policies from being deemed terminated.~~

~~This results in a potential revenue gain to the state to the extent this leads to an increase in escheats to the state.~~

~~Section 6 removes the requirement that the Treasurer automatically pay abandoned property claims of less than \$10. This results in potential revenue gain to the state by precluding these payments, and it also results in potential savings in administrative costs.~~

~~Section 7 subjects certain properties sold by specified crafts persons to the state's unclaimed property laws.~~

~~This results in potential revenue gain to the state, which depends on unclaimed property amounts.~~

~~Section 8 limits the Second Injury Fund's reimbursement liability to a maximum of three years of benefits.~~

~~This results in potential savings SSB488 / File No.~~

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~~580 to the fund to the extent claims seeking reimbursement for periods longer than three years would be limited.~~

~~The bill also makes technical and conforming changes that do not result in any fiscal impact to the state.~~

~~The Out Years The annualized ongoing fiscal impact identified above would continue into the future.~~

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~~580 OLR Bill Analysis SB 488 AN ACT IMPLEMENTING THE TREASURER'S RECOMMENDATIONS FOR REVISIONS TO THE UNCLAIMED PROPERTY PROGRAM AND SECOND INJURY FUND.~~

~~SUMMARY This bill amends provisions regarding the Second Injury Fund (SIF), including providing flexibility for the accounts the treasurer must maintain and limiting SIF's liability for reimbursing employers and insurers in certain circumstances (Sec. Sec. 8 & 9).~~

~~It also makes several unrelated changes to the state's unclaimed property laws, including:~~

~~1-~~

~~establishing various ways in which someone, including their agent or representative, may show their interest in their property so it is not presumed abandoned (Sec. 1);~~

~~2-~~

~~specifying when certain insurance policy provisions may trigger an abandonment presumption (Sec. 2);~~

~~3-~~

~~creating procedures for property holders to give unclaimed property to the treasurer early (Sec. 4);~~

~~4-~~

~~exempting certain unclaimed property owner personal information the treasurer has from the Freedom of Information Act (FOIA) (Sec. 5);~~

~~5-~~

~~removing a requirement to automatically distribute certain unclaimed property valued at less than \$10 (Sec. 6);~~

~~6-~~

~~specifying additional procedures for returning unclaimed military medals (Sec. 6);~~

~~and 7-~~

~~subjecting certain funds held by certain craftspeople (for example, jewelers) to the state's unclaimed property laws (Sec. 7).~~

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~~580 The bill also makes technical and conforming changes.~~

~~EFFECTIVE DATE:~~

~~July 1, 2026 Sec. 1 -- APPARENT OWNERS AND INDICATORS OF INTEREST The state's unclaimed property laws generally require holders of an apparent owner's unclaimed property to turn the property over to the treasurer if the owner has not indicated an interest in the property in a specified amount of time. The bill defines "indicated an interest" to explicitly outline certain actions, in addition to any other means outlined in the state's unclaimed property laws, that show the apparent owner is aware of the property.~~

~~Specifically, the bill includes:~~

~~1-~~

~~the owner communicating a record about the property or the account where it is held to the holder or holder's agent;~~

~~2-~~

~~the owner orally communicating with the holder or the holder's agent about the property or the related account, and the holder or it's agent making and saving a contemporaneous record of the communication;~~

~~3-~~

~~presenting a check or other instrument paying a divided, interest payment, or other distribution;~~

~~4-~~

~~activity directed by the owner in the account where the property is held (for example, accessing the account or directing a change to the amount or type of property held there);~~

~~5-~~

~~depositing or withdrawing funds, if the holder is a business association or banking or financial organization, excluding previously authorized automated deposits, withdrawals, or reinvestments of dividends or interest;~~

~~and 6-~~

~~any other action by the owner reasonably demonstrating to the holder that the owner knows the property exists.~~

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~~580 Under the bill, any communication from the owner to someone other than the holder or holder's representative does not indicate the owner's interest in the property unless a record proves that the owner knew of his or her right to the property.~~

~~Additionally, the bill specifies that an owner also indicates an interest in property if his or her agent or other representative takes the actions described above or other actions allowed under the existing~~

~~unclaimed property laws.~~

~~Under the bill, the property holder cannot act as the owner's agent for these purposes.~~

~~Sec. 2 -- INSURANCE POLICIES By law, unclaimed funds held by an insurance company for more than three years are presumed abandoned if a person other than the insured or annuitant is owed the money and the company does not have that person's address.~~

~~The three-year timeline generally starts when the money became due and payable under any matured or terminated life or endowment insurance policy or annuity contract.~~

~~The bill specifies that an automatic premium loan provision or other non-forfeiture provision in an insurance policy does not prevent the policy from being deemed matured or terminated if (1) the insured died or (2) the insured or a beneficiary have become entitled to the proceeds before the depletion of the policy's cash surrender value.~~

~~Sec. 4 -- EARLY UNCLAIMED PROPERTY REPORTING By law, before property is presumed abandoned, the holder of the property must notify the property owner that the owner must indicate his or her interest in the property or it will be transferred to the treasurer and subject to escheat to the state.~~

~~Existing law also requires property holders, by the March 31 after the end of the calendar year in which property is presumed abandoned, to deliver it to the treasurer and prepare an unclaimed property report that includes, among other things, the name and physical address of the property's apparent owner.~~

~~The bill allows property holders to request to report and deliver unclaimed property to the treasurer early.~~

~~The holder may do so if they~~ sSB488 / File No.

~~580 25~~ sSB488 File No.

~~580 believe the property will likely become unclaimed property, regardless of the passage of time or any notice the holder provides.~~

~~The holder must also give the treasurer an affidavit from an authorized officer (1) describing the efforts to notify the owner, (2) affirming notice was provided at least six months before the affidavit's creation, and (3) affirming the owner has not received communication from the owner indicating an interest in the property.~~

~~The treasurer, in his discretion, may consent in writing to the request.~~

~~Sec. 5 -- FOIA EXEMPTION FOR PERSONAL INFORMATION OF UNCLAIMED PROPERTY OWNERS Except as otherwise provided under the unclaimed property law, the bill makes certain personal information of owners contained in the treasurer's records confidential and exempt from disclosure under FOIA, including information provided in property holders' records and reports.~~

~~The bill limits the disclosure of this information to purposes directly connected to the administration of the laws on the treasurer's powers and duties, by the treasurer or his agents.~~

~~Under the bill, "personal information" is information that identifies or reasonably can be used to identify someone, including their name together with their (1) Social Security number, (2) other government ID number, (3) date of birth or death, (4) home or physical address, (5) other contact information, (6) internet provider address, (7) account number, or (8) abandoned property value.~~

~~By law, the treasurer must maintain a public database of unclaimed property information including the names and addresses of unclaimed property owners, the amount and description of unclaimed property he holds, and any other information he requires.~~

~~Sec. 6 -- AUTOMATIC RETURNS TO PROPERTY OWNERS Under current law, the treasurer must automatically pay abandoned property claims valued at less than \$2,500 to individuals if he (1) has determined the individual is the property's sole owner and (2) is satisfied he has this person's current address.~~

~~The bill removes this~~ sSB488 / File No.

~~580 26~~ sSB488 File No.

~~580 requirement for property less than \$10.~~

~~Sec. 6 -- MILITARY MEDALS By law, military medals held by banking or financial organizations that are presumed abandoned must be given to the state Department of Veteran Affairs commissioner as outlined in the treasurer's procedures.~~

~~The treasurer and commissioner must establish a memorandum of understanding for handling and holding these medals, and the treasurer may try to identify the original owner or the owner's heirs or beneficiaries.~~

~~If more than one person has a claim for a medal described above, and the treasurer has made reasonable efforts to identify and contact all known potential rightful owners, the bill allows the treasurer to give the medal to the claimant he deems appropriate.~~

~~Sec. 7 -- JEWELERS, WATCHMAKERS, SILVERSMITHS, AND TELEVISION AND RADIO SERVICE DEALERS By law, a jeweler, watchmaker, silversmith, or television or radio service dealer (craftsperson) who does work on personal property at the owner's or legal possessor's request has a lien on the property and may hold it until they are paid for the work.~~

~~Under certain circumstances, current law allows them to sell the property to repay any debt owed and sale~~

~~costs, and then give, in trust for the debtor, the remaining balance to the treasurer. Instead, the bill specifically subjects these balances to the state's unclaimed property laws and requires the craftsperson, after completing the sale, to file an unclaimed property report when they give the funds to the treasurer.~~

~~Under current law and the bill, if a debt to a craftsperson remains unpaid for more than six months, the craftsperson may sell the item, pay any sale expenses and the owed debt, and give the remaining balance to the treasurer within 10 days.~~

~~If the item is worth more than \$100, the craftsperson may only sell it if the debt equals at least one-third of the property's value.~~

~~sSB488 / File No.~~

~~580-27 sSB488 File No.~~

~~580 Before the sale, the craftsperson must provide 30 days' notice to the owner or legal possessor (1) by sending notice about the sale's time and place by registered or certified mail to the person's last-known address or (2) if his or her address is unknown or the mail is returned, by advertising the sale in a newspaper with substantial circulation where the sale is taking place.~~

~~Under the bill, these procedures satisfy the unclaimed property program's notice requirements under state law.~~

~~Sec. Sec. 8 & 9 -- SECOND INJURY FUND SIF Accounts (Sec. 9) The Second Injury Fund (SIF) is a state-run workers' compensation fund financed by state employers and operated by the state treasurer.~~

~~Among other things, the fund pays or contributes to workers' compensation benefits for workers with pre-existing disabilities who are reinjured (second injuries), whose employers are uninsured, or who worked more than one job when injured.~~

~~The fund was closed to second injuries that occurred on or after July 1, 1995.~~

~~Under current law, the treasurer must operate three accounts within the SIF including (1) an operating account for paying SIF operations;~~

~~(2) a settlement account for covering disbursed claims;~~

~~and (3) a finance account to, among other things, pay certain claims, provide cash advances, and cover certain administrative costs.~~

~~Instead, the bill conforms the law to existing practice by generally authorizing the treasurer to operate whatever accounts or short-term investment funds he deems necessary for SIF's operation.~~

~~SIF Liability (Sec. 8) The law allows employers and insurers to transfer liability for certain workers' compensation claims to SIF and request reimbursement for certain benefits they already paid out.~~

~~For example, if an employee works multiple jobs and is injured, a self-insured company where the employee was injured may pay out benefits to cover lost wages for all the employee's jobs, not just lost wages from the company itself.~~

~~By law, employers' insurers or self-insured employers may apply to sSB488 / File No.~~

~~580-28 sSB488 File No.~~

~~580 SIF for reimbursement of the portion of benefits paid out to cover lost wages from these other jobs.~~

~~The law specifies that SIF may only reimburse an insurer or employer within two years from when they paid the benefits to the employee.~~

~~Under current practice, SIF may be required to reimburse a benefit payment that includes benefits owed from before the two-year deadline.~~

~~For example, if an insurer underpaid benefits to an employee for 10 years and makes a one-time lump sum payment to make the employee whole.~~

~~The bill limits the amount insurers or employers may be reimbursed from SIF to a three-year period (making the insurer or employer, instead of SIF, liable for seven of the 10 years of underpaid benefits in the example above).~~

~~BACKGROUND Related Bills sSB 215, favorably reported by the Banking Committee, changes the criteria under which inactive checking and savings accounts held by banks doing business in Connecticut are presumed abandoned.~~

~~SB 460, reported favorably by the Government Administration and Elections Committee, requires the treasurer to study whether gift certificates should be considered abandoned property.~~

~~COMMITTEE ACTION Government Administration and Elections Committee Joint Favorable Substitute Yea 18-Nay 0 (03/20/2026) sSB488 / File No.~~

~~580-29~~