

Uniform Unclaimed Property Act Revision Act of 2018, Bill 22-654

Before the Committee on Finance and Revenue

The Honorable Jack Evans, Chairman

**October 10, 2018, 10:00 AM
Room 120, John A. Wilson Building**



**Testimony of
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Good morning Chairman Evans and members of the Committee on Finance and Revenue. I am Bruno Fernandes, Deputy Chief Financial Officer and Treasurer of the District of Columbia. I am pleased to testify on Bill 22-654, the “Uniform Unclaimed Property Act Revision Act of 2018,” hereafter referred to as the “Bill”.

The Office of Finance and Treasury within the Office of the Chief Financial Officer administers the District of Columbia’s Unclaimed Property Unit. The District is committed to making every effort to locate owners, utilizing available databases, telecommunication, the Internet, or other media to inform the public of the existence of unclaimed property held by the Administrator.

Currently, the District is operating under the Uniform Disposition of Unclaimed Property Act of 1980, as amended. The Bill modernizes the District’s unclaimed property laws in numerous respects. The Bill recognizes new forms of property and technological advancements, and provides protections for states, holders and claimants that are not in current law.

The Bill clarifies and expands the types of intangible property that are covered, including virtual currency, payroll cards, stored-value cards, municipal bonds,

health savings accounts, commissions, employee reimbursements, and custodial accounts for minors.

The Bill makes the process of notifying potential owners and processing their claims more efficient by utilizing the Internet and electronic records. We have also recently updated our Unclaimed Property system to allow for online claims submission and online claim tracking by claimants resulting in faster and more reliable customer service.

The Bill provides specific dormancy periods for many types of property for the first time. It expands remedies for holders, including informal conferences between a holder and the administrator and administrative and judicial review.

The Bill also establishes clear rules for the protection and use of confidential information, including rules for when confidential information may be disclosed. It also includes a provision based on a model act by the National Conference of Insurance Legislators, enacted by many states, which imposes a duty on life insurance companies to undertake periodic comparisons of their insureds with the Death Master File maintained by the Social Security Administration, to ensure that

unclaimed proceeds from life insurance policies will be transferred to the custody of the District without undue delay.

The Bill also restricts the access of fee for service “claim finders” and the fees they may charge, based on the time the property is held at the District.

The Bill will modernize our current unclaimed property laws and address new types of property and changes in technology. The Bill will help our office increase efficiency and customer service and is consistent with industry best practices. We have no further changes to recommend to the Bill at this time.

Thank you for the opportunity to testify. I would be pleased to answer any questions you may have.