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Westly, Migden Announce Bill to Return \$4.8 Billion in Unclaimed Property to Californians

EDS: PHOTOS AND B-ROLL ARE AVAILABLE

SACRAMENTO – California State Controller Steve Westly and Senator Carole Migden (D - San Francisco) today announced legislation to help reunite more Californians with the \$4.8 billion of unclaimed property the State is holding.

Controller Westly sponsored and Senator Migden has authored **SB 1752**, which creates an Unclaimed Property trust account separate from the State's general fund and will remove severe restrictions on the State Controller's ability to locate owners of unclaimed property. The bill also provides for interest to be paid on all unclaimed property claims starting January 1, 2007.

"The Governor and Legislature are using unclaimed property to cope with the State budget mess they created through gridlock and mismanagement. This must stop," Controller Westly said. "I sponsored this bill to change the system and take California's unclaimed property away from the politicians and return it to the people. Forgotten checking accounts should not be used to plug holes in the State budget. I want to thank Senator Migden for standing up for the people of California by working with me on this important legislation."

"The State should do everything it can to return property to the rightful owners," Senator Migden said. "It is clearly not our money and we should not be treating it as such. I would like to thank the Controller for his leadership on this issue and I am confident that the people are appreciative of his effort to do what's right."

Last year, the State received almost \$900 million in unclaimed property. About \$240 million was used to pay claims. The rest was put in the general fund and spent just like any other revenue. That practice would end under **SB 1752**.

The Controller's Office currently has \$4.8 billion in unclaimed property in 7.6 million accounts. Controller Westly has made returning unclaimed property a priority, and has launched new initiatives that have resulted in more property returned during each year of his term, despite the restrictions. Controller Westly launched www.searchthevault.com and the Spanish language www.encuentresudinero.com; has toured the state, including stops in San Francisco, Fresno, Los Angeles, San Diego and Sacramento, to talk about unclaimed property; and has reallocated staff and resources and streamlined processes within his office.

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UNCLAIMED PROPERTY LEGISLATION 2-2-2

SB 1752 removes excessive restrictions on the Controller's ability to conduct outreach, which would result in future Controllers being able to return much more unclaimed property without increasing appropriations to the Controller's Office.

When a bank account or safe deposit box is not accessed for more than 3 years and the bank cannot find the owner, the account balance or box contents are turned over to the Controller's Office for safekeeping. The Controller's Office holds the property in perpetuity, so a property owner or heir can make a claim at any time.

The Controller's Office also receives the value of un-cashed cashier's checks and money orders; stocks and bonds; paychecks that were never picked up; overpaid utility bills and insurance premiums; and brokerage, escrow and other account balances.

Westly also displayed rare coins, diamond jewelry and other items that he is trying to return to owners.

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