

HOUSE BILL REPORT

HB 2841

*As Reported By House Committee on:
Local Government*

Title: An act relating to an act relating to application of the uniform unclaimed property act to personal effects.

Brief Description: Exempting donated or worthless property from the uniform unclaimed property act.

Sponsor(s): Representatives Mitchell, Appelwick, Wood, Winsley, Broback, Paris, Miller, Brough, Forner and Haugen.

Brief History:

Reported by House Committee on:
Local Government, February 7, 1992, DP.

**HOUSE COMMITTEE ON
LOCAL GOVERNMENT**

Majority Report: *Do pass.* Signed by 15 members: Representatives Haugen, Chair; Cooper, Vice Chair; Ferguson, Ranking Minority Member; Mitchell, Assistant Ranking Minority Member; Bray; Edmondson; Franklin; Horn; Nealey; Nelson; Rayburn; Roland; Wood; Wynne; and Zellinsky.

Staff: Bill Lynch (786-7092).

Background: The Uniform Unclaimed Property Act generally requires that unclaimed property must be turned over to the custody of the state Department of Revenue. If the property is unclaimed after three years, it is sold to the highest bidder at public sale. The proceeds from the sale of abandoned property are deposited into the state general fund.

The Department of Revenue is not required to offer property for sale if the cost of the sale exceeds the value of the property. The department may also destroy or otherwise dispose of property that has insubstantial commercial value at any time.

Property of negligible value must still be turned over to the state because it is not exempt from the provisions of the Uniform Unclaimed Property Act. Unclaimed property in the hands of city police or the county sheriff, however, may be destroyed if it has no substantial commercial value.

City police and county sheriffs may also donate unclaimed bicycles and toys to nonprofit charitable organizations.

Summary of Bill: Provisions of the Uniform Unclaimed Property Act do not apply to used clothing, umbrellas, bags, luggage, or other personal effects if the property is disposed of either by being donated to a bona fide charity, or by being destroyed if the property has negligible value.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This will simplify how ports deal with unclaimed property of limited value. Storage costs will be saved. Charities will benefit from the donated property.

Testimony Against: None.

Witnesses: Ann Gygi, Port of Seattle.