

HOUSE BILL REPORT

SSB 5193

As Reported by House Committee On: Local Government

Title: An act relating to donation of unclaimed personal property to nonprofit charitable organizations.

Brief Description: Authorizing donation of unclaimed personal property to nonprofit charitable organizations.

Sponsors: Senate Committee on Judiciary (originally sponsored by Senators Brandland, Hewitt, Parlette, Morton, Schoesler, Swecker, Clements, Stevens, McCaslin, Carrell, Keiser, Berkey and Kohl-Welles).

Brief History:

Committee Activity:

Local Government: 3/20/07 [DP].

Brief Summary of Substitute Bill

- Authorizes police authorities, the State Patrol, and county sheriffs to donate unclaimed personal property to nonprofit charitable organizations.
- Obligates organizations receiving the donated property to use the property, or its proceeds, to benefit needy persons.
- Specifies that organizations receiving the donated property must qualify for tax exempt status under certain requirements of the Federal Internal Revenue Code.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 7 members: Representatives Simpson, Chair; Eddy, Vice Chair; Curtis, Ranking Minority Member; Schindler, Assistant Ranking Minority Member; Ross, B. Sullivan and Takko.

Staff: Ethan Moreno (786-7386).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Statute prescribes different requirements and methods for disposing of unclaimed property that is possessed by a law enforcement agency. Under current law, county sheriffs and city or town police authorities may donate unclaimed bicycles, tricycles, and toys to nonprofit charitable organizations for use by needy persons. No comparable disposition authorization exists for unclaimed property in possession of the State Patrol.

Subject to federal requirements, qualifying corporations and other entities that are organized and operated exclusively for religious, charitable, scientific, or other specified purposes may qualify for an exemption from federal income taxes under title 26, section 501(c)(3), of the Federal Internal Revenue Code.

Summary of Bill:

City or town police authorities, the State Patrol, and county sheriffs may donate unclaimed personal property to nonprofit charitable organizations. Organizations receiving the donated property must use the property, or its proceeds, to benefit needy persons. Additionally, organizations receiving the property must qualify for tax exempt status under title 26, section 501(c)(3), of the Federal Internal Revenue Code.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) This bill has fallen into the cracks each of the last two years. The Association of Washington Cities would appreciate your support for the bill.

(Opposed) None.

Persons Testifying: Tammy Fellin, Association of Washington Cities.

Persons Signed In To Testify But Not Testifying: None.