



# Ohio Legislative Service Commission

## Bill Analysis

Bethany Boyd

### H.B. 161

130th General Assembly  
(As Introduced)

Rep. Williams

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## BILL SUMMARY

- Requires the Director of Budget and Management, instead of the Auditor of State, to pay unclaimed funds when the owner of the unclaimed funds has entered into a written agreement with another person to locate, deliver, recover, or assist in the recovery of the funds.
- Authorizes the Director of Commerce to establish a reasonable fee for the processing and delivery of any payment made to the person who performs recovery services.
- Requires the agreement between an owner of unclaimed funds and a person who performs recovery services to disclose (1) that the Director of Commerce will direct the Director of Budget and Management to pay, from the unclaimed funds, any legal amount specified in the agreement directly to the person who performed the recovery services, less any fee charged by the Director of Commerce, and (2) that the remaining unclaimed funds will be paid directly to the owner.

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## CONTENT AND OPERATION

### Payments of unclaimed funds under recovery assistance agreements

When the owner of unclaimed funds has entered into an unclaimed funds recovery assistance agreement with another person to locate, deliver, recover, or assist in the recovery of those unclaimed funds, the bill requires the Director of Commerce to direct the Director of Budget and Management, and requires the Director of Budget and Management, to do the following:

(1) Pay from the unclaimed funds, directly to the person who assisted with recovery of the unclaimed funds, who is referred to as the "registrant" in the bill, any legal amount specified in the agreement to compensate the registrant for services

performed in the recovery of the unclaimed funds, minus any amount the bill authorizes the Director of Commerce to establish as a reasonable fee<sup>1</sup> for the processing and delivery of any payment made to a registrant; and

(2) Pay any remaining unclaimed funds directly to the owner.<sup>2</sup>

Current law requires the Auditor of State to pay the unclaimed funds directly to the owner and does not require payments to be made according to an unclaimed funds recovery assistance agreement.

A person who assists in the recovery of unclaimed funds is called a registrant because that person is required to obtain a certificate of registration from the Director of Commerce before engaging in any activity for the purpose of locating, delivering, recovering, or assisting in the recovery of unclaimed funds or the contents of a safe deposit box for a fee, compensation, commission, or other remuneration.<sup>3</sup>

The bill also requires each person who files a claim with the Director of Commerce under a recovery assistance agreement to include with that claim a copy of the agreement. Existing law requires that the certificate of registration number also be included with the claim.<sup>4</sup>

### **Disclosure provision to be included in recovery assistance agreements**

The bill requires that an unclaimed funds recovery assistance agreement include a provision disclosing that the Director of Commerce will direct the Director of Budget and Management to pay from the unclaimed funds any legal amount specified in the agreement to compensate a registrant for services performed under the agreement, to pay the amount directly to the registrant, minus any fee established by the Director of Commerce, and to pay any remaining unclaimed funds, or, as required by existing law, deliver the contents of a safe deposit box, directly to the owner of the unclaimed funds.<sup>5</sup>

### **Conditions for entering into a recovery assistance agreement**

Under continuing law, following a two-year period after a holder of unclaimed funds reports those funds to the Director of Commerce, a person entitled to receive

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<sup>1</sup> R.C. 169.14(D).

<sup>2</sup> R.C. 169.14(C).

<sup>3</sup> R.C. 169.16, not in the bill.

<sup>4</sup> R.C. 169.14(A).

<sup>5</sup> R.C. 169.13(B).

unclaimed funds may enter into an agreement with another person, agreeing to pay a fee or compensate the person to locate, deliver, recover, or assist in the recovery of unclaimed funds if certain conditions are met, including the changes made by the bill and the following conditions: the aggregate fee cannot exceed 10% of the amount recovered; the agreement must be in writing, signed by the owner, and notarized; the agreement must disclose certain identifying items of the owner of the unclaimed funds or contents of a safe deposit box and of the entity holding the funds or contents; the agreement cannot include a power of attorney for the payment of the unclaimed funds to any person other than the owner; and, if the agreement involves recovery of the contents of a safe deposit box, certain additional requirements.<sup>6</sup>

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## HISTORY

ACTION	DATE
Introduced	05-14-13

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<sup>6</sup> R.C. 169.03, not in the bill, and R.C. 169.13.

