

**Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 20-0939.01 Ed DeCecco x4216

SENATE BILL 20-146

SENATE SPONSORSHIP

Priola, Gardner, Hansen, Tate

HOUSE SPONSORSHIP

Bockenfeld,

Senate Committees
Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING MODIFICATIONS TO THE "REVISED UNIFORM**
102 **UNCLAIMED PROPERTY ACT" RELATED TO PROPERTY HELD BY**
103 **A FINANCIAL ORGANIZATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Section 1 of the bill defines and exempts a financial organization loyalty card from the property that is subject to the "Revised Uniform Unclaimed Property Act", which is effective on July 1, 2020. **Section 2** repeals the presumption of abandonment in the act for demand, savings, or time deposits with a financial organization, and **section 3** replaces it by

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
3rd Reading Unamended
February 20, 2020

SENATE
Amended 2nd Reading
February 19, 2020

reenacting the current law, which otherwise is effective until July 1, 2020. The continued, current law has the same 5-year period for property to be presumed abandoned but has different owner activities that rebut the presumption of abandonment. It also delays the time that a financial organization is required to deliver this property to the administrator, if a penalty or forfeiture in the payment of interest would result from the delivery of the property.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 38-13-102, **as it will become effective July 1, 2020, amend** (24)(c)(IV), (24)(c)(V), (30)(c), (32)(b), and (32)(c); and **add** (9.5), (24)(c)(VI), and (32)(d) as follows:

38-13-102. Definitions. As used in this article 13, unless the context otherwise requires:

(9.5) "FINANCIAL ORGANIZATION LOYALTY CARD" MEANS A RECORD GIVEN WITH OR WITHOUT DIRECT MONETARY CONSIDERATION, UNDER AN AWARD, REWARD, BENEFIT, LOYALTY, INCENTIVE, REBATE, OR PROMOTIONAL PROGRAM ESTABLISHED BY A FINANCIAL ORGANIZATION FOR PURPOSES OF REWARDING A RELATIONSHIP WITH THE SPONSORING ENTITY. THE TERM INCLUDES A RECORD THAT MAY BE MONETIZED.

(24) "Property" means tangible property described in section 38-13-205 or a fixed and certain interest in intangible property held, issued, or owed in the course of a holder's business or by a government, governmental subdivision, agency, or instrumentality. The term:

(c) Does not include:

(IV) A paper certificate that is redeemable upon presentation for goods or services; ~~or~~

(V) Unclaimed capital credit payments held by cooperative electric associations and telephone cooperatives; OR

(VI) A FINANCIAL ORGANIZATION LOYALTY CARD.

1 (30) "Stored-value card":

2 (c) Does not include a loyalty card, A FINANCIAL ORGANIZATION
3 LOYALTY CARD, or game-related digital content.

4 (32) "Virtual currency" means a digital representation of value
5 used as a medium of exchange, unit of account, or a store of value, but
6 does not have legal tender status as recognized by the United States. The
7 term does not include:

8 (b) Game-related digital content; ~~or~~

9 (c) A loyalty card; OR

10 (d) A FINANCIAL ORGANIZATION LOYALTY CARD.

11 **SECTION 2.** In Colorado Revised Statutes, 38-13-201, **repeal as**
12 **it will become effective July 1, 2020, (1)(e)** as follows:

13 **38-13-201. When property presumed abandoned.** (1) Subject
14 to section 38-13-210, the following property is presumed abandoned if it
15 is unclaimed by the apparent owner during the period specified in this
16 section:

17 (e) ~~Demand, savings, or time deposit, including a deposit that is~~
18 ~~automatically renewable, five years after the maturity of the deposit;~~
19 ~~except that a deposit that is automatically renewable is deemed matured~~
20 ~~on its initial date of maturity unless the apparent owner consented in a~~
21 ~~record on file with the holder to renewal at or about the time of the~~
22 ~~renewal;~~

23 **SECTION 3.** In Colorado Revised Statutes, **add** 38-13-207.5 as
24 follows:

25 **38-13-207.5. Bank deposits and funds in financial**
26 **organizations - definition.** (1) ANY DEMAND, SAVINGS, OR MATURED
27 TIME DEPOSIT WITH A FINANCIAL ORGANIZATION, INCLUDING A DEPOSIT

1 THAT IS AUTOMATICALLY RENEWABLE, AND ANY FUNDS PAID TOWARD THE
2 PURCHASE OF A SHARE, A MUTUAL INVESTMENT CERTIFICATE, OR ANY
3 OTHER INTEREST IN A FINANCIAL ORGANIZATION IS PRESUMED
4 ABANDONED UNLESS THE OWNER, WITHIN FIVE YEARS, HAS:

5 (a) IN THE CASE OF A DEPOSIT, INCREASED OR DECREASED ITS
6 AMOUNT OR PRESENTED THE PASSBOOK OR OTHER SIMILAR EVIDENCE OF
7 THE DEPOSIT FOR THE CREDITING OF INTEREST;

8 (b) COMMUNICATED IN WRITING WITH THE BANKING OR FINANCIAL
9 ORGANIZATION CONCERNING THE PROPERTY;

10 (c) OTHERWISE INDICATED AN INTEREST IN THE PROPERTY AS
11 EVIDENCED BY A MEMORANDUM OR OTHER RECORD ON FILE PREPARED BY
12 AN EMPLOYEE OF THE FINANCIAL ORGANIZATION;

13 (d) OWNED OTHER PROPERTY TO WHICH SUBSECTION (1)(a), (1)(b),
14 OR (1)(c) OF THIS SECTION APPLIES AND UNLESS THE FINANCIAL
15 ORGANIZATION COMMUNICATES IN WRITING WITH THE OWNER WITH
16 REGARD TO THE PROPERTY THAT WOULD OTHERWISE BE PRESUMED
17 ABANDONED UNDER THIS SUBSECTION (1) AT THE ADDRESS TO WHICH
18 COMMUNICATIONS REGARDING THE OTHER PROPERTY REGULARLY ARE
19 SENT; OR

20 (e) HAD ANOTHER RELATIONSHIP WITH THE FINANCIAL
21 ORGANIZATION CONCERNING WHICH THE OWNER HAS:

22 (I) COMMUNICATED IN WRITING WITH THE FINANCIAL
23 ORGANIZATION; OR

24 (II) OTHERWISE INDICATED AN INTEREST AS EVIDENCED BY A
25 MEMORANDUM OR OTHER RECORD ON FILE PREPARED BY AN EMPLOYEE OF
26 THE BANKING OR FINANCIAL ORGANIZATION AND UNLESS THE BANKING OR
27 FINANCIAL ORGANIZATION COMMUNICATES IN WRITING WITH THE OWNER

1 WITH REGARD TO THE PROPERTY THAT WOULD OTHERWISE BE ABANDONED
2 UNDER THIS SUBSECTION (1) AT THE ADDRESS TO WHICH
3 COMMUNICATIONS REGARDING THE OTHER RELATIONSHIP REGULARLY ARE
4 SENT.

5 (2) ANY PROPERTY DESCRIBED IN SUBSECTION (1) OF THIS SECTION
6 THAT IS AUTOMATICALLY RENEWABLE IS MATURED FOR PURPOSES OF
7 SUBSECTION (1) OF THIS SECTION UPON THE EXPIRATION OF ITS INITIAL
8 TIME PERIOD, BUT, IN THE CASE OF ANY RENEWAL TO WHICH THE OWNER
9 CONSENTS AT OR ABOUT THE TIME OF RENEWAL BY COMMUNICATING IN
10 WRITING WITH THE FINANCIAL ORGANIZATION OR OTHERWISE INDICATING
11 CONSENT AS EVIDENCED BY A MEMORANDUM OR OTHER RECORD ON FILE
12 PREPARED BY AN EMPLOYEE OF THE ORGANIZATION, THE PROPERTY IS
13 MATURED UPON THE EXPIRATION OF THE LAST TIME PERIOD FOR WHICH
14 CONSENT WAS GIVEN. IF, AT THE TIME PROVIDED FOR DELIVERY IN SECTION
15 38-13-603, A PENALTY OR FORFEITURE IN THE PAYMENT OF INTEREST
16 WOULD RESULT FROM THE DELIVERY OF THE PROPERTY, THE TIME FOR
17 DELIVERY IS EXTENDED UNTIL THE TIME WHEN NO PENALTY OR
18 FORFEITURE WOULD RESULT.

19 (3) FOR PURPOSES OF THIS SECTION, "PROPERTY" INCLUDES
20 INTEREST AND DIVIDENDS.

21 **SECTION 4. In Colorado Revised Statutes, 38-13-801, as it will**
22 **become effective July 1, 2020, amend (4) as follows:**

23 **38-13-801. Unclaimed property trust fund - creation -**
24 **payments - interest - appropriations - records - rules. (4) Before**
25 **crediting any money to the trust fund pursuant to subsection (1) of this**
26 **section, the administrator shall record the name and PARTIAL last-known**
27 **address of each person appearing from the holders' reports to be entitled**

1 to the property. The record must be available for public inspection during
2 ~~all reasonable business hours~~ THROUGH THE WEBSITE OR DATABASE
3 MAINTAINED UNDER SECTION 38-13-503 (3).

4 **SECTION 5. Effective date.** This act takes effect July 1, 2020.

5 **SECTION 6. Safety clause.** The general assembly hereby finds,
6 determines, and declares that this act is necessary for the immediate
7 preservation of the public peace, health, or safety.