

California State Controller's Office
Proposed Regulatory Action: Regulations Governing the Submission of Claims for
Unclaimed Property Held by the California State Controller

Notice of Modification to Text of Proposed Regulation

Pursuant to the requirements of Government Code section 11346.8(c) and section 44 of Title 1 of the California Code of Regulations, the California State Controller's Office hereby provides notice of changes made to proposed regulations at Article 6, § 1300 et seq., to Title 2 – Administration; Division 2 - Financial Operations; Chapter 2 - State Controller; Subchapter 8 - Unclaimed Property Law; of the California Code of Regulations.

The State Controller's Office will accept written comments on the proposed changes from July 7, 2022 to July 22, 2022. Written comments may be submitted via mail or facsimile to:

California State Controller's Office
Contact: John Dickerson | Staff Counsel
State Controller's Office - Legal Division
300 Capitol Mall, Suite 1850, Sacramento, CA 95814
Phone: (916) 322-5369
Fax: (916) 322-1220

Comments may also be submitted by e-mail to JDickerson@sco.ca.gov.

All written comments received by July 22, 2022, which pertain to the indicated changes will be reviewed by the Board and will be summarized and responded to in the Final Statement of Reasons. Please limit your comments to the modifications to the text.

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Proposed Regulation Text

Title 2. Administration
Division 2 - Financial Operations
Chapter 2 - State Controller
Subchapter 8 - Unclaimed Property Law

On February 11, 2022, the California Controller proposed to add the certain regulations to Article 6 of the above-referenced portion of the California Code of Regulations. After considering comments received during the initial 45-day comment period, the State Controller hereby proposes the following changes for this 15-day notice, which are indicated by single underline for addition and single strikethrough for deletions.

Article 6: Regulations Governing Claiming Unclaimed Property

§ 1300. Statement of Purpose

The purposes of these regulations is to formalize the procedures and format for owners claiming unclaimed property held by the State Controller and to effectuate the legislative mandate set forth in Code of Civil Procedure § 1501.5(c) to reunite owners with their property.

§ 1301. Authority to Establish Guidelines for Claiming Unclaimed Property

The Controller is authorized to make necessary rules and regulations to carry out the provisions of this chapter pursuant to California Code of Civil Procedure § 1580.

The Controller is authorized to prescribe the forms for filing claims for unclaimed property pursuant to California Code of Civil Procedure § 1540.

§ 1302. Submission of Claims

The State Controller shall require the claimant, or an authorized representative, to submit a claim form that identifies the property or properties being claimed, and shall include the claimant's name, current mailing address, and identifying information such as social security number and date of birth. The claimant, or an authorized representative, shall sign the claim form declaring the information on the claim form to be true and correct, that ~~they are~~ the claimant is the owner of and the person or entity entitled to receive the property being claimed. ~~A~~ Claims initiated on the Controller's website and signed electronically shall ~~sufficiently~~ constitute a claim.

§ 1303. Required Documentation

The State Controller shall require the claimant, or an authorized representative, to submit sufficient documentation to verify the claimant's identity and demonstrate that the claimant is the rightful owner entitled to the unclaimed property, by providing evidence of the claimant's association with the owner address reported to the Controller by the holder of unclaimed

property or by providing evidence of the claimant's association with the holder, before a payment will be authorized. The State Controller's determination as to the sufficiency of documentation submitted by the claimant shall be controlling unless ~~clearly~~ unreasonable.

§ 1304. Additional Required Documentation for Claiming the Property of Deceased Owners

In addition to documentation required by Section 1303, the State Controller shall require the claimant to submit sufficient documentation to verify that the reported owner of the property being claimed is deceased, the claimant's association to the deceased property owner, and entitlement to the deceased owner's property that is being claimed before a payment will be authorized. The State Controller's determination as to the sufficiency of documentation submitted by the claimant shall be controlling unless ~~clearly~~ unreasonable.

§ 1305. Required Documentation for Claims on Behalf of a Business Entity

The State Controller shall require the claimant, or an authorized representative, to submit sufficient documentation to verify the business entity's Federal Employer Identification Number, if applicable, that the business entity is in good standing with the California Secretary of State, if applicable, that the claimant is authorized to claim on behalf of the business entity, and that the business entity is the owner of or otherwise entitled to claim the property ~~being claimed~~ before a payment will be authorized. The State Controller's determination as to the sufficiency of documentation submitted by the claimant shall be controlling unless clearly unreasonable.

§ 1306. Incomplete Claim Package

If a claim package does not contain adequate documentation to establish the facts required by the applicable Sections 1303 through 1305, the State Controller shall contact the claimant to identify and obtain any missing documentation. If the claimant does not provide the required documentation, the State Controller will respond to the claimant or the claimant's attorney. The claimant may resubmit the claim when the necessary supporting documentation has been obtained.

§ 1307. Claims Consideration

The State Controller's Office will consider a claim within one hundred eighty (180) days of receipt of a completed claims package. If the claim is denied in whole or in part, the State Controller shall provide the claimant with a written notification of the denial.

§ 1308. Asset Recovery Agreements

The State Controller shall process claims filed under asset recovery agreements submitted by organizations, private investigators, attorneys, heir finders, and other individuals or entities only if the State Controller determines the agreement to be in compliance with Code of Civil Procedures Section 1582. Attorneys who submit claims based under asset recovery agreements may submit a declaration under penalty of perjury stating that the asset recovery agreement complies with Section 1582 in lieu of providing the actual asset recovery agreement.