

## Convert securities reported as unclaimed property immediately upon receipt

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**Description** This proposal would allow the Department to convert securities received as unclaimed property immediately upon receipt.

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**Current Law** Generally, before the Department may convert securities received as unclaimed property, it must wait:

- At least three years if the securities are presumed abandoned under RCW 63.29.100; or
- At least one year for other securities not defined in RCW 63.29.100.

Once the Department converts the securities, the owners are entitled to claim the proceeds of the sale less administrative costs.

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**Revenue Impact**

General Fund Impacts (\$ millions):

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$50.6	\$0	\$50.6

*Notes:*

- *The revenue estimate is based on the value of unclaimed securities held by the state as of October 24, 2011.*
  - *Due to the volatility of the market, actual revenues will be dependent on market conditions at the time of sale. See additional information below.*
  - *Revenue impacts assume commissions and fee payments of \$1.3 million.*
  - *Revenue impacts assume action is taken to change the law during the 2011 special legislative session, allowing a full six months to convert the securities and realize the revenue during FY 2012.*
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## Convert securities reported as unclaimed property immediately upon receipt, Continued

**Stock market volatility**

The revenue impact is based on the current value of securities held by the state as of October 24, 2011. The graph below illustrates the volatility of the stock market; actual revenues will be dependent on stock market conditions when securities are sold.

DOW JONES INDUSTRIAL AVERAGE



Source: CNNMoney.com - 1 year DJIA chart (November 7, 2011)

**Expenditure Impact**

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$0	\$0	\$0