



# Ohio Legislative Service Commission

## Bill Analysis

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### H.B. 126

128th General Assembly  
(As Introduced)

**Reps.** S. Williams, Letson, Domenick, Murray, Hagan, Foley, Harwood, Mallory, Brown

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## BILL SUMMARY

- Requires the Director of Budget and Management to withhold from an unclaimed funds payment any legal amount specified by an unclaimed funds recovery assistance agreement to compensate a person for services rendered in the recovery of the unclaimed funds.
- Requires unclaimed funds recovery assistance agreements to include a notice specifying the Director of Budget and Management's compensation withholding duties.

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## CONTENT AND OPERATION

### Compensation under an unclaimed funds recovery assistance agreement

(R.C. 169.03 (not in the bill), 169.13, and 169.14)

Under current law unchanged by the bill, all holders of unclaimed funds are required to file an annual report with the Director of Commerce providing certain information with respect to the unclaimed funds.<sup>1</sup> A person entitled to receive the unclaimed funds (the owner) may seek to hire a person to help recover the funds. Current law provides that all agreements to pay a fee, compensation, commission, or other remuneration to locate, deliver, recover, or assist in the recovery of unclaimed funds entered into within two years immediately after the date a report is filed by the holder of unclaimed funds with the Director of Commerce are invalid.

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<sup>1</sup> The report must include information such as the name and last known address of the owner of the unclaimed funds and a description of the amount of the funds (R.C. 169.03).

Following the two-year time period, an owner and an entity may enter into a paid agreement to locate, deliver, recover, or assist in the recovery of unclaimed funds only if the following conditions are met:

(1) The agreement includes an aggregate fee, compensation, commission, or other remuneration not in excess of 10% of the amount recovered and paid to the owner by the Director of Budget and Management;

(2) The agreement is in writing, signed by the owner, and notarized;

(3) The agreement discloses certain items such as the name, address, and telephone number of the owner, the name and address of the person or entity holding the funds, and the nature and value of the unclaimed funds;

(4) The agreement does not include a power of attorney for the payment of the unclaimed funds to any person other than the owner;

(5) If the agreement involves recovery of the contents of a safe deposit box, certain additional requirements must be included in the agreement, such as stipulating that the person recovering the contents of the safe deposit box must make arrangements to have an appraiser and the Director of Commerce view the box contents together.

### **The bill**

The bill requires an unclaimed funds recovery assistance agreement to include a provision notifying the parties that the Director of Budget and Management will do, and requires the Director to do, all of the following with respect to the agreement:

(1) Withhold from the unclaimed funds payment any legal amount specified in the agreement to compensate a person for assisting in the recovery of the unclaimed funds pursuant to the agreement;

(2) Pay the amount directly to the person who assisted with recovery of the unclaimed funds (referred to as the "registrant" in the bill), minus any amount the bill authorizes the Director of Commerce to establish as a reasonable fee for the processing and delivery of any payment to a registrant;<sup>2</sup>

(3) Pay any remaining unclaimed funds directly to the owner.

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<sup>2</sup> A person who assists in the recovery of unclaimed funds is called a registrant because that person is required to file for a certificate of registration from the Director of Commerce to engage in any activity for the purpose of locating, delivering, recovering, or assisting in the recovery of unclaimed funds for a fee, compensation, commission, or other remuneration (R.C. 169.16, not in the bill).

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## HISTORY

ACTION

DATE

Introduced

04-08-09

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