

AN ACT concerning civil law.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Uniform Disposition of Unclaimed Property Act is amended by changing Sections 11 and 12 and by adding Section 3a as follows:

(765 ILCS 1025/3a new)

Sec. 3a. Demutualization; insurance company.

(a) Property distributable in the course of a demutualization, rehabilitation, or related reorganization of an insurance company shall be deemed abandoned as follows:

(1) any funds, 2 years after the date of the demutualization, rehabilitation, or reorganization, if the funds remain unclaimed, and the owner has not otherwise communicated with the holder or its agent regarding the property as evidenced by a memorandum or other record on file with the holder or its agent;

(2) any stock, 2 years after the date of the demutualization, rehabilitation, or reorganization if instruments or statements reflecting the distribution are either mailed to the owner and returned by the post office as undeliverable, or not mailed to the owner because of an address on the books and records of the holder that is known to be incorrect, and the owner has not otherwise communicated with the holder or its agent regarding the property as evidenced by a memorandum or other record on file with the holder or its agent; and

(b) Property subject to items (1) and (2) of subsection (a) of this Section shall be set apart and held in the Demutualization Trust Fund, a special non-appropriated fund hereby created in the State treasury, for the payment of claims and expenses associated with the processing of the claims by

the State Treasurer and shall not be transferred to any other fund until such time as the property would be reportable under other Sections of this Act. The Demutualization Trust Fund shall not be subject to Section 8h or 8j of the State Finance Act.

(c) Property not subject to the provisions of subsection (a), within 2 years of distribution shall remain reportable under other Sections of this Act.

(765 ILCS 1025/11) (from Ch. 141, par. 111)

Sec. 11. Report of holder.

(a) Except as otherwise provided in subsection (c) of Section 4, every person holding funds or other property, tangible or intangible, presumed abandoned under this Act shall report and remit all abandoned property specified in the report to the State Treasurer with respect to the property as hereinafter provided. The State Treasurer may exempt any businesses from the reporting requirement if he deems such businesses unlikely to be holding unclaimed property.

(b) The information shall be obtained in one or more reports as required by the State Treasurer. The information shall be verified and shall include:

(1) the name, social security or federal tax identification number, if known, and last known address, including zip code, of each person appearing from the records of the holder to be the owner of any property of the value of \$25 or more presumed abandoned under this Act;

(2) in case of unclaimed funds of life insurance corporations the full name of the insured and any beneficiary or annuitant and the last known address according to the life insurance corporation's records;

(3) the date when the property became payable, demandable, or returnable, and the date of the last transaction with the owner with respect to the property;  
and

(4) other information which the State Treasurer

prescribes by rule as necessary for the administration of this Act.

(c) If the person holding property presumed abandoned is a successor to other persons who previously held the property for the owner, or if the holder has changed his name while holding the property, he shall file with his report all prior known names and addresses of each holder of the property.

(d) The report and remittance of the property specified in the report shall be filed by banking organizations, financial organizations, insurance companies other than life insurance corporations, and governmental entities before November 1 of each year as of June 30 next preceding. The report and remittance of the property specified in the report shall be filed by business associations, utilities, and life insurance corporations before May 1 of each year as of December 31 next preceding. The Director may postpone the reporting date upon written request by any person required to file a report. The report and remittance of the property specified in the report for property subject to subsection (a) of Section 3a of this Act shall be filed before a date established by the State Treasurer that is on or after the later of: (i) 30 days after the effective date of this amendatory Act of the 94th General Assembly; or (ii) November 1, 2005.

(d-5) Notwithstanding the foregoing, currency exchanges shall be required to report and remit property specified in the report within 30 days after the conclusion of its annual examination by the Department of Financial Institutions. As part of the examination of a currency exchange, the Department of Financial Institutions shall instruct the currency exchange to submit a complete unclaimed property report using the State Treasurer's formatted diskette reporting program or an alternative reporting format approved by the State Treasurer. The Department of Financial Institutions shall provide the State Treasurer with an accounting of the money orders located in the course of the annual examination including, where available, the amount of service fees deducted and the date of

the conclusion of the examination.

(e) Before filing the annual report, the holder of property presumed abandoned under this Act shall communicate with the owner at his last known address if any address is known to the holder, setting forth the provisions hereof necessary to occur in order to prevent abandonment from being presumed. If the holder has not communicated with the owner at his last known address at least 120 days before the deadline for filing the annual report, the holder shall mail, at least 60 days before that deadline, a letter by first class mail to the owner at his last known address unless any address is shown to be inaccurate, setting forth the provisions hereof necessary to prevent abandonment from being presumed.

(f) Verification, if made by a partnership, shall be executed by a partner; if made by an unincorporated association or private corporation, by an officer; and if made by a public corporation, by its chief fiscal officer.

(g) Any person who has possession of property which he has reason to believe will be reportable in the future as unclaimed property, may report and deliver it prior to the date required for such reporting in accordance with this Section and is then relieved of responsibility as provided in Section 14.

(h) (1) Records pertaining to presumptively abandoned property held by a trust division or trust department or by a trust company, or affiliate of any of the foregoing that provides nondealer corporate custodial services for securities or securities transactions, organized under the laws of this or another state or the United States shall be retained until the property is delivered to the State Treasurer.

As of January 1, 1998, this subdivision (h) (1) shall not be applicable unless the Department of Financial Institutions has commenced, but not finalized, an examination of the holder as of that date and the property is included in a final examination report for the period covered by the examination.

(2) In the case of all other holders commencing on the effective date of this amendatory Act of 1993, property records

for the period required for presumptive abandonment plus the 9 years immediately preceding the beginning of that period shall be retained for 5 years after the property was reportable.

(i) The State Treasurer may promulgate rules establishing the format and media to be used by a holder in submitting reports required under this Act.

(j) Other than the Notice to Owners required by Section 12 and other discretionary means employed by the State Treasurer for notifying owners of the existence of abandoned property, the State Treasurer shall not disclose any information provided in reports filed with the State Treasurer or any information obtained in the course of an examination by the State Treasurer to any person other than governmental agencies for the purposes of returning abandoned property to its owners or to those individuals who appear to be the owner of the property or otherwise have a valid claim to the property, unless written consent from the person entitled to the property is obtained by the State Treasurer.

(Source: P.A. 92-271, eff. 8-7-01; 93-531, eff. 8-14-03.)

(765 ILCS 1025/12) (from Ch. 141, par. 112)

Sec. 12. Notice to owners.

(a) For property reportable by May 1, as identified by Section 11, the State Treasurer shall cause notice to be published once in an English language newspaper of general circulation in the county in this State in which is located the last known address of any person to be named in the notice on or before November 1 of the same year. For property reportable by November 1, as identified by Section 11, the State Treasurer shall cause notice to be published once in an English language newspaper of general circulation in the county in this State in which is located the last known address of any person named in the notice on or before May 1 of the next year. If no address is listed or if the address is outside this State, the notice shall be published in the county in which the holder of the abandoned property has his principal place of business within

this State. However, if an out-of-state address is in a state that is not a party to a reciprocal agreement with this State concerning abandoned property, the notice may be published in the Illinois Register. The names of owners that are identified and contacted directly by the State Treasurer do not have to be published as described in this Section.

(b) The published notice shall be entitled "Notice of Names of Persons Appearing to be Owners of Abandoned Property", and shall contain:

(1) The names in alphabetical order and last known addresses, if any, of persons listed in the report and entitled to notice within the county as hereinbefore specified.

(2) A statement that information concerning the amount or description of the property and the name and address of the holder may be obtained by any persons possessing an interest in the property by addressing an inquiry to the State Treasurer.

(3) A statement that the abandoned property has been placed in the custody of the State Treasurer to whom all further claims must thereafter be directed.

(c) The State Treasurer is not required to publish in such notice any item of less than \$100 or any item for which the address of the last known owner is in a state that has a reciprocal agreement with this State concerning abandoned property unless he deems such publication to be in the public interest.

(Source: P.A. 93-531, eff. 8-14-03.)

Section 10. The State Finance Act is amended by amending Sections 8h and 8j and by adding Section 5.640 as follows:

(30 ILCS 105/5.640 new)

Sec. 5.640. The Demutualization Trust Fund.

(30 ILCS 105/8h)

## Sec. 8h. Transfers to General Revenue Fund.

(a) Except as provided in subsection (b), notwithstanding any other State law to the contrary, the Governor may, through June 30, 2007, from time to time direct the State Treasurer and Comptroller to transfer a specified sum from any fund held by the State Treasurer to the General Revenue Fund in order to help defray the State's operating costs for the fiscal year. The total transfer under this Section from any fund in any fiscal year shall not exceed the lesser of (i) 8% of the revenues to be deposited into the fund during that fiscal year or (ii) an amount that leaves a remaining fund balance of 25% of the July 1 fund balance of that fiscal year. In fiscal year 2005 only, prior to calculating the July 1, 2004 final balances, the Governor may calculate and direct the State Treasurer with the Comptroller to transfer additional amounts determined by applying the formula authorized in Public Act 93-839 to the funds balances on July 1, 2003. No transfer may be made from a fund under this Section that would have the effect of reducing the available balance in the fund to an amount less than the amount remaining unexpended and unreserved from the total appropriation from that fund estimated to be expended for that fiscal year. This Section does not apply to any funds that are restricted by federal law to a specific use, to any funds in the Motor Fuel Tax Fund, the Hospital Provider Fund, the Medicaid Provider Relief Fund, or the Reviewing Court Alternative Dispute Resolution Fund, or to any funds to which subsection (f) of Section 20-40 of the Nursing and Advanced Practice Nursing Act applies. Notwithstanding any other provision of this Section, for fiscal year 2004, the total transfer under this Section from the Road Fund or the State Construction Account Fund shall not exceed the lesser of (i) 5% of the revenues to be deposited into the fund during that fiscal year or (ii) 25% of the beginning balance in the fund. For fiscal year 2005 through fiscal year 2007, no amounts may be transferred under this Section from the Road Fund, the State Construction Account Fund, the Criminal Justice Information

Systems Trust Fund, the Wireless Service Emergency Fund, or the Mandatory Arbitration Fund.

In determining the available balance in a fund, the Governor may include receipts, transfers into the fund, and other resources anticipated to be available in the fund in that fiscal year.

The State Treasurer and Comptroller shall transfer the amounts designated under this Section as soon as may be practicable after receiving the direction to transfer from the Governor.

(b) This Section does not apply to any fund established under the Community Senior Services and Resources Act.

(c) This Section does not apply to the Demutualization Trust Fund established under the Uniform Disposition of Unclaimed Property Act.

(Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674, eff. 6-10-04; 93-714, eff. 7-12-04; 93-801, eff. 7-22-04; 93-839, eff. 7-30-04; 93-1054, eff. 11-18-04; 93-1067, eff. 1-15-05.)

(30 ILCS 105/8j)

Sec. 8j. Allocation and transfer of fee receipts to General Revenue Fund. ~~If and only if any one or more of Senate Bills 774, 841, 842, and 1903 of the 93rd General Assembly become law,~~ Notwithstanding any other law to the contrary, additional amounts generated by the new and increased fees created or authorized by Public Acts 93-22, 93-23, 93-24, and 93-32 ~~these amendatory Acts of the 93rd General Assembly this amendatory Act of the 93rd General Assembly and by Senate Bill 774, Senate Bill 841, and Senate Bill 842 of the 93rd General Assembly, if those bills become law,~~ shall be allocated between the fund otherwise entitled to receive the fee and the General Revenue Fund by the Governor's Office of Management and Budget Bureau ~~of the Budget~~. In determining the amount of the allocation to the General Revenue Fund, the Director of the Governor's Office of Management and Budget Bureau ~~of the Budget~~ shall calculate

whether the available resources in the fund are sufficient to satisfy the unexpended and unreserved appropriations from the fund for the fiscal year.

In calculating the available resources in a fund, the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ may include receipts, transfers into the fund, and other resources anticipated to be available in the fund in that fiscal year.

Upon determining the amount of an allocation to the General Revenue Fund under this Section, the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ may direct the State Treasurer and Comptroller to transfer the amount of that allocation from the fund in which the fee amounts have been deposited to the General Revenue Fund; provided, however, that the Director shall not direct the transfer of any amount that would have the effect of reducing the available resources in the fund to an amount less than the amount remaining unexpended and unreserved from the total appropriation from that fund for that fiscal year.

The State Treasurer and Comptroller shall transfer the amounts designated under this Section as soon as may be practicable after receiving the direction to transfer from the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~.

This Section does not apply to the Demutualization Trust Fund established under the Uniform Disposition of Unclaimed Property Act.

(Source: P.A. 93-25, eff. 6-20-03; 93-32, eff. 6-20-03; revised 8-21-03.)

Section 99. Effective date. This Act takes effect upon becoming law.