



## ***DCU BULLETIN***

*Division of Credit Unions*

*Washington State Department of Financial Institutions*

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January 5, 2004

No. B-04-01

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### **Changes in State's Unclaimed Property Regulations**

Effective January 4, 2004, the Unclaimed Property Regulations, found at [RCW 63.29](#), change to require escheatment of certain abandoned property after only **three years**. Previously escheatment was not required until the property was abandoned for five years. Affected unclaimed property now requiring escheatment after only three years includes:

- Deposit accounts;
- Uncashed checks such as insurance payments or travelers checks;
- Insurance proceeds; and
- Stocks, bonds and mutual funds.

Unclaimed property is any intangible amount owed or held by an organization that remains unpaid or has no evidence of positive owner activity for an extended period of time. Unclaimed property does not include real estate, vehicles, and most physical property. Safe deposit box contents are the only tangible property that is reported. Safe deposit box contents and money orders continue to have a five-year abandonment definition and payroll checks continue to be defined as abandoned after one year.

Typically credit unions determine member accounts as dormant after three years of inactivity. As of January 4, 2004, credit unions will need to remit to the state after only three years. This could impact the amount of fee income earned to the credit union, if dormant account fees are typically assessed.

The board minutes should reflect this change in the regulations has been discussed and that relevant credit union policies and procedures have been changed.

If training is needed by the credit union, a Department of Revenue newsletter describes workshops available. The newsletter can be found electronically at <http://dor.wa.gov/docs/pubs/ucp/UCPNewsletter.pdf>. If you prefer, you can arrange to have one of the DOR auditors provide training at the credit union. If so, workshops and training are arranged by writing to [UCP@dor.wa.gov](mailto:UCP@dor.wa.gov).

There is also a report year conversion table available at <http://dor.wa.gov/docs/pubs/ucp/conversi.pdf>.

Should you have further questions, please contact Jane Johnson at (360) 902-0508.