State of Arizona  
House of Representatives  
Fifty-fifth Legislature  
Second Regular Session  
2022

HB 2468

Introduced by  
Representatives Carroll: Diaz, Kaiser, Martinez, Nguyen

AN ACT

AMENDING TITLE 36, CHAPTER 29, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2921; AMENDING SECTIONS 44-313, 44-315 AND 44-327, ARIZONA REVISED STATUTES; AMENDING TITLE 44, CHAPTER 3, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 44-327.01; RELATING TO UNCLAIMED PROPERTY.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Title 36, chapter 29, article 1, Arizona Revised Statutes, is amended by adding section 36-2921, to read:

36-2921. Veteran housing trust fund; report

A. The veteran housing trust fund is established. The director shall administer the fund. The fund consists of monies received pursuant to section 44-313 and investment earnings.

B. On notice from the director, the state treasurer shall invest and divest monies in the fund as provided by section 35-313, and monies earned from investment shall be credited to the fund. Monies in the fund are exempt from the provisions of section 35-190 relating to lapsing of appropriations. An amount not to exceed ten percent of the fund monies may be appropriated annually by the legislature to the system for administrative costs in providing services relating to the fund.

C. Fund monies shall be spent on approval of the director solely for housing projects and rental assistance for homeless veterans. The fund may be used for tiny home communities that are established specifically for homeless veterans. For any construction project financed by the system pursuant to this section, the system shall notify a city, town, county or tribal government that a project is planned for its jurisdiction and, before proceeding, shall seek comment from the governing body of the city, town, county or tribal government or an official authorized by the governing body of the city, town, county or tribal government. The system may not interfere with or attempt to override the local jurisdiction's planning, zoning or land use regulations.

D. On or before September 1 of each year, the director shall report to the governor, the president of the senate and the speaker of the house of representatives on the status of the fund and shall provide a copy of the report to the secretary of state. The report shall include a summary of facilities for which funding was provided during the preceding fiscal year and shall show the cost and geographic location of each facility and the number of individuals benefiting from the operation, construction or renovation of any facility. The report shall also include the number of individuals who benefited from rental assistance.

Sec. 2. Section 44-313, Arizona Revised Statutes, is amended to read:

44-313. Deposit of monies

A. Except as otherwise provided in this section or section 44-314, the department shall deposit, pursuant to sections 35-146 and 35-147, in the state general fund all monies received pursuant to this chapter, including the proceeds from the sale of abandoned property pursuant to section 44-312, except that:

1. The first two million dollars $3,000,000 of the monies shall be deposited each fiscal year in the seriously mentally ill housing trust fund established by section 41-3955.01.
2. The second two million five hundred thousand dollars $3,500,000 of the monies shall be deposited in the housing trust fund established by section 41-3955.

3. The next twenty-four million five hundred thousand dollars $24,500,000 of the monies shall be deposited each fiscal year in the department of revenue administrative fund established by section 42-1116.01.

4. THE NEXT $1,000,000 OF THE MONIES SHALL BE DEPOSITED EACH FISCAL YEAR IN THE VETERAN HOUSING TRUST FUND ESTABLISHED BY SECTION 36-2921.

B. The department shall deposit monies from unclaimed shares and dividends of any corporation incorporated under the laws of this state in the permanent state school fund pursuant to article XI, section 8, Constitution of Arizona.

C. The department shall deposit monies from unclaimed victim restitution payments in the victim compensation and assistance fund established by section 41-2407 for the purpose of establishing, maintaining and supporting programs that compensate and assist victims of crime.

D. The department shall retain in a separate trust fund at least one hundred thousand dollars $100,000 from which the department shall pay claims.

E. Before making the deposit, the department shall record the name and last known address of each person who appears from the holders' reports to be entitled to the property and the name and last known address of each insured person or annuitant and beneficiary. The department shall also record the policy or contract number of each policy or contract of an insurance company that is listed in the report, the name of the company and the amount due. The department shall make the record available for public inspection during reasonable business hours.

Sec. 3. Section 44-315, Arizona Revised Statutes, is amended to read:

44-315. Confidentiality; violation; classification; definitions

A. The department may disclose confidential information relating to an item of property to the claimant or relating to reports of abandoned property to the holder, a successor in interest to the claimant or holder or a designee of the claimant or holder who is authorized in writing by the claimant or holder.

B. The department also may disclose confidential information to:

1. Any employee of the department whose official duties involve tax or unclaimed property administration.

2. The office of the attorney general for its use in providing counsel relating to unclaimed property administration or in preparation for any proceeding involving unclaimed property before the department or
any other agency or board of this state or before any grand jury or any state or federal court.

3. Pursuant to a written agreement between the department and another state or an organization of states that operates an information exchange for unclaimed property administration purposes, a state unclaimed property official from the other state if the other state or organization grants substantially similar privileges to the department for the same type of information.

4. The auditor general, in connection with any audit of the department subject to the restrictions in section 42-2002, subsection D.

5. Any person to the extent necessary for effective unclaimed property administration in connection with the processing, storage, transmission and reproduction of the information and the programming, repair, testing and procurement of equipment for purposes of unclaimed property administration.

6. A LOCATOR THAT IS REGISTERED WITH THE DEPARTMENT OF REVENUE PURSUANT TO SECTION 44-327.01.

C. Except as provided in section 42-2002, subsection D, the department may disclose confidential information in any state or federal judicial or administrative proceeding relating to unclaimed property administration if:

1. The claimant or holder is a party to the proceeding.

2. The treatment of an item reflected in the information is directly related to the resolution of an issue in the proceeding.

3. The information directly relates to a transactional relationship between a person who is a party to the proceeding and the claimant or holder and the information directly affects the resolution of an issue in the proceeding.

D. The department may disclose identity information for purposes of notifying persons who appear to be entitled to unclaimed property in the manner described in section 44-309 44-327.01.

E. The department may disclose statistical information gathered from confidential information if it does not disclose confidential information attributable to a claimant or holder.

F. A court may order the department to disclose confidential information pertaining to a party to an action. An order shall be made only on a showing of good cause and that the party who seeks the information has demanded the information from the claimant or holder.

G. If the department is required or permitted to disclose confidential information, it may charge the person or agency that requests the information for the reasonable cost of the department’s services.

H. A disclosure of confidential information in violation of this section is a class 1 misdemeanor. A knowing disclosure of confidential information in violation of this section is a class 6 felony.
I. The provisions of this section apply to independent auditors hired by the department to enforce the provisions of this chapter and chapter 3.1 of this title.

J. A person, including a former employee, agent or independent auditor of the department or office of administrative hearings or a person previously having an administrative duty for the department or the office of administrative hearings, who has received confidential information while an employee, agent or independent auditor of the department or the office of administrative hearings, shall not disclose that information except as provided in this section.

K. For the purposes of this section:
   1. "Claimant" means a person or entity that claims to have a property interest in the item of property that is presumed abandoned pursuant to this chapter.
   2. "Confidential information":
      (a) includes Social Security Numbers, Tax Identification Numbers, Dates of Birth and Holder Account Numbers in reports filed by holders of property presumed abandoned under this chapter, a claimant’s application and documents submitted to support a claim and information discovered by the department concerning claims, and claimants, holder reports or holders. Confidential information also includes information supplied at the special request of the department which the claimant or holder requests to be held confidential, whether a holder or report was, is being or will be subject to examination, investigation or collection and data received by, recorded by, prepared by, furnished to or collected by the department with respect to the existence or possible existence of a liability of any holder for unclaimed property.

Sec. 4. Section 44-327, Arizona Revised Statutes, is amended to read:

44-327. Agreement to locate property
A. The following are void and unenforceable:
   1. An agreement TO LOCATE PROPERTY THAT IS entered into by an owner A CLAIMANT with another person if the primary purpose of that agreement is to locate, deliver, recover or assist in the recovery of property that is presumed abandoned, if the agreement was entered into during the period commencing on the date the property was presumed abandoned and extending to a time that is twenty-four months after the date that the property is paid or delivered to the department. This paragraph does not apply to an owner’s agreement with an attorney to file a claim relating to identified property or to contest the department’s denial of a claim. IS ENFORCEABLE IF ALL OF THE FOLLOWING APPLY:
      1. THE AGREEMENT IS IN WRITING IN AT LEAST TEN-POINT TYPE.
      2. THE AGREEMENT LISTS THE UNCLAIMED PROPERTY ACCOUNT NUMBERS BEING CLAIMED.
3. The agreement describes the services to be performed.

4. The agreement is signed by the claimant.

5. The agreement states the value of the property before and after the fee or other compensation has been deducted.

B. The fee or payment agreed on may not be more than thirty percent of the value of the recoverable property that is reported to the department. This subsection does not apply to recovery of accounts that require judicial determination of ownership to establish entitlement.

C. A provision in an agreement that requires an owner a claimant to pay compensation that includes a portion of mineral proceeds that are not presumed abandoned or the underlying minerals, if the primary purpose of the agreement is to locate, deliver, recover or assist in the recovery of mineral proceeds that are presumed abandoned, is void.

B. If an owner enters into an agreement that is not void pursuant to this section and the primary purpose of that agreement is to locate, deliver, recover or assist in the recovery of property reported to the department, the agreement is:

1. Enforceable if the agreement is in writing, clearly states the nature of the property and the services to be performed, is signed by the apparent owner and states the value of the property before and after the fee or other compensation has been deducted. The fee or payment agreed on shall not be more than thirty percent of the value of the recoverable property reported to the department.

D. An agreement that is subject to subsection B of this section is unenforceable except by the owner claimant if the agreement provides for compensation that is more than thirty percent of the value of the recoverable property reported to the department.

E. An owner who a claimant, or the department on behalf of the claimant, may maintain an action to reduce compensation if both of the following apply:

1. The claimant has agreed to pay compensation that is more than thirty percent of the value of the recoverable property reported to the department.

2. The agreement is subject to subsection B of this section.

F. The court may award reasonable attorney fees to an owner a claimant who prevails in the action brought under subsection E of this section. This section does not prohibit an owner a claimant from asserting that an agreement is invalid on grounds other than compensation.

Sec. 5. Title 44, chapter 3, article 1, Arizona Revised Statutes, is amended by adding section 44-327.01, to read:

44-327.01. Unclaimed property account information; locators; registration; fees; fund

A. On written request, the department shall provide all unclaimed property account information for all unclaimed accounts only to a locator
THAT IS REGISTERED PURSUANT TO THIS SECTION. THE DEPARTMENT MAY CHARGE A
FEE FOR EACH REQUEST IN AN AMOUNT TO BE DETERMINED BY THE DEPARTMENT. THE
DEPARTMENT SHALL PROVIDE THE UNCLAIMED PROPERTY ACCOUNT INFORMATION IN A
SEARCHABLE ELECTRONIC OR DIGITAL FORMAT. THE UNCLAIMED PROPERTY ACCOUNT
INFORMATION SHALL INCLUDE ALL OF THE FOLLOWING:

1. THE NAME OF THE APPARENT OWNER.
2. THE COMPLETE LAST KNOWN ADDRESS OF THE APPARENT OWNER AS
   REPORTED BY THE HOLDER.
3. THE RELATIONSHIP CODE, IF ANY.
4. THE TYPE OF PROPERTY.
5. THE CASH VALUE OF THE PROPERTY.
6. IF THE PROPERTY IS SECURITIES OR MUTUAL FUND SHARES, THE NUMBER
   OF SHARES OR ITEMS AND THE EXCHANGE TICKER SYMBOL OR FUND NAME, IF
   REPORTED.
7. THE YEAR THAT THE PROPERTY WAS REPORTED TO THE DEPARTMENT.
8. THE NAME AND CONTACT INFORMATION OF THE HOLDER.
   LIQUIDATION AMOUNT, IF APPLICABLE.

B. A LOCATOR MAY REGISTER WITH THE DEPARTMENT IN A FORM AND MANNER
   DETERMINED BY THE DEPARTMENT AND PAY A FEE TO THE DEPARTMENT IN AN AMOUNT
   TO BE DETERMINED BY THE DEPARTMENT. ON THE REGISTRATION APPLICATION, A
   LOCATOR SHALL PROVIDE THE LOCATOR'S PRIMARY BUSINESS ADDRESS AND TELEPHONE
   NUMBER AND THE NAME, TELEPHONE NUMBER AND EMAIL ADDRESS OF THE INDIVIDUAL
   WHO WILL BE THE PRIMARY POINT OF CONTACT WITH THE DEPARTMENT. A LOCATOR IS
   INELIGIBLE FOR REGISTRATION IF, WITHIN THE IMMEDIATELY PRECEDING TEN-YEAR
   PERIOD ANY OF THE FOLLOWING WAS CONVICTED OF A FELONY INVOLVING
   DISHONESTY, DECEIT, FRAUD OR A BREACH OF FIDUCIARY DUTY:

1. THE LOCATOR, IF AN INDIVIDUAL.
2. A CURRENT OFFICER OR OWNER OF THE LOCATOR, IF AN ENTITY.
3. A CURRENT EMPLOYEE OF THE INDIVIDUAL LOCATOR OR ENTITY LOCATOR
   THAT PERFORMS OR DIRECTS LOCATOR SERVICES.

C. LOCATOR REGISTRATION IS VALID FOR FOUR YEARS. THE LOCATOR MAY
   RENEW ITS REGISTRATION IN A MANNER THAT IS PRESCRIBED BY THE DEPARTMENT.
   THE DEPARTMENT SHALL DETERMINE THE RENEWAL REGISTRATION FEE. THE INITIAL
   REGISTRATION AND RENEWAL REGISTRATION FEES COLLECTED PURSUANT TO THIS
   SECTION SHALL BE DEPOSITED IN THE LOCATOR REGISTRATION FUND ESTABLISHED BY
   SUBSECTION F OF THIS SECTION.

D. A LOCATOR THAT RECEIVES UNCLAIMED PROPERTY ACCOUNT INFORMATION
   FROM THE DEPARTMENT UNDER THIS SECTION MAY NOT DISTRIBUTE THAT INFORMATION
   TO OTHER LOCATORS OR PERSONS, OTHER THAN THE OWNER, FOR COMPENSATION.

E. IF AN OWNER HAS ENTERED INTO A WRITTEN AGREEMENT THAT AUTHORIZES
   A REGISTERED LOCATOR TO CLAIM THE UNCLAIMED PROPERTY ON THE OWNER'S BEHALF
   OR IF THE OWNER HAS SOLD THE RIGHT TO CLAIM THE UNCLAIMED PROPERTY TO A
   LOCATOR, THE DEPARTMENT SHALL DISTRIBUTE THE PROPERTY OR MONIES IN
ACCORDANCE WITH THAT WRITTEN AGREEMENT. THE OWNER MUST EXECUTE AND FILE
THE WRITTEN AGREEMENT WITH THE DEPARTMENT.

F. THE LOCATOR REGISTRATION FUND IS ESTABLISHED CONSISTING OF
MONIES RECEIVED FROM LOCATOR REGISTRATION AND RENEWAL FEES PURSUANT TO
THIS SECTION. THE DEPARTMENT SHALL ADMINISTER THE FUND. THE MONIES IN
THE FUND SHALL BE USED TO MONITOR LOCATORS UNDER THIS CHAPTER. MONIES IN
THE FUND ARE CONTINUOUSLY APPROPRIATED.