

## Revenue Estimating Conference for Unclaimed Property and Transfers to the State School Trust Fund Executive Summary

Estimates of receipts and refunds to owners from unclaimed property and the subsequent distributions to the State School Trust Fund were discussed on December 7, 2023, by the Revenue Estimating Conference. Before adopting the new forecast, the Conference reviewed both receipt and refund data for FY 2023-24.

Total receipts amounted to \$34.5 million through November, \$15.1 million under the August estimate. While year-to-date receipts are lower than anticipated, actual submissions are heavily skewed to the last quarter of the fiscal year. Further, an analysis was presented at a prior conference that showed no relationship between the level of receipts received at the beginning of a fiscal year and the total amount received by the end of the fiscal year. For both of these reasons, the Conference maintained the prior forecast for property receipts.

Total refunds amounted to \$193.9 million through November, \$34.5 million over the prior estimate. The Department of Financial Services' Division of Unclaimed Property attributed the increase in refunds to two reasons. First, the division is now fully staffed. Since the onset of COVID, the division has had issues hiring and maintaining staff. This problem appears to be resolved. Second, the dollar amount per refund has significantly increased relative to last year. Because refunds are processed steadily throughout the year, the Conference felt a change to the refund forecast was warranted based on the early data. For FY 2023-24, refunds are now projected to reach \$410.9 million. This is \$40.7 million higher than the August estimate of \$370.2 million. The upward revision is sized, in part, to reflect the division's analysis of the amount it will be able to process given its current staffing level. In FY 2024-25, refunds are projected to reach \$429.7 million – \$22.5 million above the August estimate for the year. For the remaining years of the forecast, the annual refund estimates are below the August forecast.

The projected transfer of \$346.5 million to the State School Trust Fund is \$40.7 million lower for FY 2023-24 because of the higher refunds. For FY 2024-25, the transfer to the State School Trust Fund is \$22.5 million lower for the same reason. In remaining years of the forecast, the annual State School Trust Fund transfers are projected to have gains that range from \$15.4 million in FY 2025-26 to \$57.4 million in FY 2028-29.

	Aug 2023	Dec 2023	Difference
2023-24 Receipts	\$683.7	\$683.7	\$0.0
2023-24 Refunds	\$370.2	\$410.9	\$40.7
<b>2023-24 Transfer to State School Trust Fund</b>	<b>\$387.2</b>	<b>\$346.5</b>	<b>-\$40.7</b>
2024-25 Receipts	\$695.7	\$695.7	\$0.0
2024-25 Refunds	\$407.2	\$429.7	\$22.5
<b>2024-25 Transfer to State School Trust Fund</b>	<b>\$284.0</b>	<b>\$261.5</b>	<b>-\$22.5</b>

*Dollars shown in millions.*

# Revenue Estimating Conference

## Unclaimed Property

Forecast of Receipts, Refunds to Owners, and Transfers to the State School Trust Fund

Winter Conference

Thursday, December 7, 2023

**Unclaimed Property Receipts, Refunds to Owners, and Transfers to the State School Trust Fund  
Thursday, December 7, 2023**

<b>Actual</b>	<b>Receipts</b>	<b>Refunds</b>	<b>Transfer to State School TF</b>
2018-19	535.5	316.8	218.8
2019-20	500.5	321.9	144.0
2020-21	685.4	343.5	328.5
2021-22	637.7	383.3	263.3
2022-23	835.6	341.0	425.0

<b>Adopted #3</b>												
	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>
2023-24	683.7	683.7	0.0	370.2	410.9	40.7	73.6	73.6	0.0	387.2	346.5	-40.7
2024-25	695.7	695.7	0.0	407.2	429.7	22.5	-4.5	-4.5	0.0	284.0	261.5	-22.5
2025-26	707.9	707.9	0.0	448.0	432.6	-15.4	-4.7	-4.7	0.0	255.2	270.6	15.4
2026-27	722.0	722.0	0.0	470.3	440.6	-29.7	-4.5	-4.5	0.0	247.2	276.9	29.7
2027-28	736.5	736.5	0.0	493.9	450.5	-43.4	-4.4	-4.4	0.0	238.2	281.6	43.4
2028-29	751.2	751.2	0.0	518.6	461.2	-57.4	-4.4	-4.4	0.0	228.2	285.6	57.4

### Fiscal Year 2022-23 Unclaimed Property Receipts and Refunds to Owners

<b>RECEIPTS</b>	<b>July</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>Total Fiscal Year</b>
2018-19 ACTUAL	15.6	6.3	4.6	9.6	3.0	39.1
2019-20 ACTUAL	17.6	5.9	8.0	5.0	9.1	45.6
2020-21 ACTUAL	26.2	18.9	9.4	12.0	6.8	73.3
2021-22 ACTUAL	15.5	6.8	5.4	6.6	5.7	40.0
2022-23 ACTUAL	16.7	26.1	18.6	11.6	3.6	76.5
2023-24 ACTUAL	9.0	4.8	7.7	5.6	7.4	34.5
<b>2023-24 JULY ESTIMATE</b>	<b>9.0</b>	<b>15.8</b>	<b>10.1</b>	<b>9.5</b>	<b>5.2</b>	49.6
<b>Above/Below Estimate</b>	<b>0.0</b>	<b>(11.0)</b>	<b>(2.4)</b>	<b>(3.9)</b>	<b>2.2</b>	<b>(15.1)</b>
<b>REFUNDS</b>	<b>JULY</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>Total Fiscal Year</b>
2018-19 ACTUAL	25.2	28.3	30.0	25.4	22.5	131.3
2019-20 ACTUAL	32.9	24.1	26.9	29.2	23.2	136.2
2020-21 ACTUAL	43.0	39.3	28.8	27.7	26.5	165.3
2021-22 ACTUAL	43.9	36.1	28.5	37.6	27.6	173.7
2022-23 ACTUAL	26.1	32.3	22.4	35.3	20.0	136.0
2023-24 ACTUAL	33.9	53.0	40.3	35.3	31.3	193.9
<b>2022-23 JULY ESTIMATE</b>	<b>33.9</b>	<b>37.5</b>	<b>27.6</b>	<b>34.8</b>	<b>25.6</b>	159.4
<b>Above/Below Estimate</b>	<b>(0.0)</b>	<b>15.5</b>	<b>12.7</b>	<b>0.5</b>	<b>5.7</b>	<b>34.5</b>

## Unclaimed Property Trust Fund

## Historical Detail

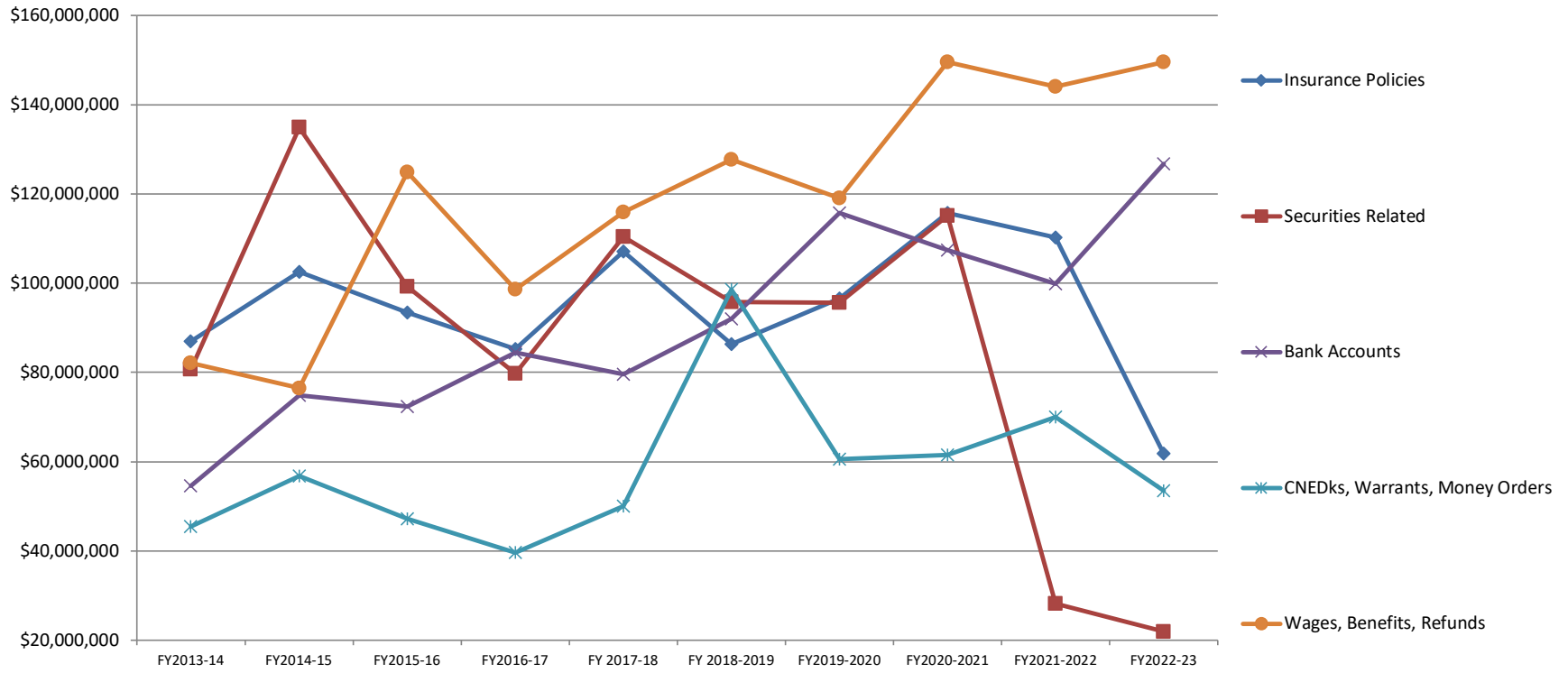
	<u>FY 17-18</u>	<u>FY 18-19</u>	<u>FY19-20</u>	<u>FY20-21</u>	<u>FY21-22</u>	<u>FY22-23</u>
1 <u>Funds Available</u>						
2 Beginning Balance	11.4	15.7	8.8	36.8	44.1	29.0
3 Abandoned property receipts	483.3	510.0	500.5	666.5	637.7	804.4
4 Atypical receipts	24.5	25.5	0.0	19.0	0.0	31.2
5 Transfers in	0.0	0.0	0.0	0.0	0.0	0.0
6 Other nonoperating receipts	1.2	2.2	1.1	2.0	0.2	2.1
7 Total Funds Available	<u>520.4</u>	<u>553.4</u>	<u>510.4</u>	<u>724.3</u>	<u>682.0</u>	<u>866.7</u>
8 <u>Uses of Funds</u>						
9 Operating Expenses	5.0	5.0	5.1	4.8	4.9	5.1
10 Refunds to owners - regular	317.9	316.8	321.9	335.0	375.6	340.3
11 Refunds to owners - FDIC	0.0	0.0	0.0	8.5	7.7	0.7
12 Miscellaneous disbursements	3.3	3.1	1.8	3.3	1.5	1.4
13 Retained Balance	15.7	9.8	37.4	44.1	29.0	94.1
14 Total Uses	<u>341.9</u>	<u>334.5</u>	<u>366.3</u>	<u>395.7</u>	<u>418.7</u>	<u>441.7</u>
15 <b>Available for transfer to</b>						
16 <b>State School TF (Actual)</b>	178.5	218.8	144.0	328.5	263.3	425.0
18 Growth rate of regular receipts	14.0%	5.5%	-1.9%	33.2%	-4.3%	26.1%
19 Growth rate of regular refunds	2.4%	-0.4%	1.6%	4.1%	12.1%	-9.4%
20 Change in transfer amount	33.3%	22.6%	-34.2%	128.2%	-19.9%	61.4%

### Schedule of Estimated Liability: By Year\*

Year 1	2.99%
Year 2	29.83%
Year 3	11.28%
Year 4	4.76%
Year 5	2.90%
Year 6	2.01%
Year 7	1.51%
Year 8	1.25%
Year 9	1.13%
Year 10	0.88%
Year 11	1.20%
Year 12	1.71%
Year 13	0.58%
Year 14	0.49%
Year 15	0.39%
Year 16	0.42%
Year 17	0.37%
<b>Aggregate Payout</b>	<b>63.70%</b>

\* 3-Year Average of the Most Recent Liability Report Claim Data

Unclaimed Property Receipts by Major Grouping



**Unclaimed Property Trust Fund**

**Adopted 3**

	FY 22-23	FY 23-24 est.	FY 24-25 est.	FY 25-26 est	FY 26-27 est	FY 27-28 est	FY 28-29 est
1 <u>Funds Available</u>							
2 Beginning Balance	29.0	94.1	15.0	15.0	15.0	15.0	15.0
3 Abandoned property receipts	804.4	683.7	695.7	707.9	722.00	736.5	751.2
4 Atypical receipts	31.2	0.0	0.0	0.0	0.0	0.0	0.0
5 Transfers in	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6 Other nonoperating receipts	2.1	2.1	2.1	2.1	2.1	2.1	2.1
7 Total Funds Available	866.7	779.9	712.8	725.0	739.1	753.6	768.3
8 <u>Uses of Funds</u>							
9 Operating Expenses	5.1	5.1	5.1	5.1	5.1	5.1	5.1
10 Refunds to owners - regular	340.3	410.9	429.7	432.6	440.6	450.5	461.2
11 Refunds to owners - FDIC	0.7	1.1	0.1	0.3	0.1	0.0	0.0
12 Miscellaneous disbursements	1.4	1.4	1.4	1.4	1.4	1.4	1.4
13 Retained Balance	94.1	15.0	15.0	15.0	15.0	15.0	15.0
14 Total Uses	441.6	433.5	451.3	454.4	462.2	472.0	482.7
15 <b>Available for transfer to</b>							
16 <b>State School TF (NEW estimate)</b>	<b>425.0</b>	<b>346.5</b>	<b>261.5</b>	<b>270.6</b>	<b>276.9</b>	<b>281.6</b>	<b>285.6</b>
17 <b>State School TF (OLD estimate)</b>	285.0	387.2	284.0	255.2	247.2	238.2	228.2
18 <b>Change in estimate</b>	140.0	-40.7	-22.5	15.4	29.7	43.4	57.4
20 Growth rate of regular receipts	26.1%	-15.0%	1.8%	1.8%	2.0%	2.0%	2.0%
21 Growth rate of regular refunds	-9.4%	20.7%	4.6%	0.7%	1.8%	2.2%	2.4%
22 Change in transfer amount	61.4%	-18.5%	-24.5%	3.5%	2.3%	1.7%	1.4%
23 <b>Assumed Receipts Growth Rate NEW</b>	<b>31.03%</b>	<b>-15.00%</b>	<b>1.75%</b>	<b>1.75%</b>	<b>2.00%</b>	<b>2.00%</b>	<b>2.00%</b>
24 <b>Assumed Receipts Growth Rate OLD</b>	31.03%	-15.00%	1.75%	1.75%	2.00%	2.00%	2.00%
25 <b>Assumed Refunds %NEW</b>	<b>51.4%</b>	<b>55.8%</b>	<b>56.6%</b>	<b>62.7%</b>	<b>62.8%</b>	<b>63.0%</b>	<b>63.2%</b>
26 <b>Assumed Refunds %OLD</b>	51.4%	50.3%	53.6%	64.9%	67.0%	69.1%	71.1%



# Revenue Estimating Conference

## Unclaimed Property

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Winter Conference

[Revised for Measures Affecting Revenue](#)

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<b>Adopted #3</b>	<b>Receipts</b>			<b>Refunds</b>			<b>Adjustments</b>			<b>Transfer to State School TF</b>		
	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>
2023-24	683.7	683.7	0.0	370.2	410.9	40.7	73.6	73.6	0.0	387.2	346.5	-40.7
2024-25	695.7	692.6	-3.1	407.2	429.7	22.5	-4.5	-4.5	0.0	284.0	258.4	-25.6
2025-26	707.9	704.8	-3.1	448.0	432.6	-15.4	-4.7	-4.7	0.0	255.2	267.5	12.3
2026-27	722.0	718.9	-3.1	470.3	440.6	-29.7	-4.5	-4.5	0.0	247.2	273.8	26.6
2027-28	736.5	733.4	-3.1	493.9	450.5	-43.4	-4.4	-4.4	0.0	238.2	278.5	40.3
2028-29	751.2	748.1	-3.1	518.6	461.2	-57.4	-4.4	-4.4	0.0	228.2	282.5	54.3