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| LFC Requester: | Ginger Anderson |
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date February 2, 2024

Bill No: SB 237

Sponsor: Sen. Nibert & Sen. Cervantes
Short Title: Revised Uniform Unclaimed Property Act

Agency Name and Code 394 - State Treasurer
Number: _____
Person Writing John Kreienkamp
Phone: 505-795-3141 **Email:** jerri.mares@sto.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---------------|------|---------------------------|---------------|
| FY24 | FY25 | | |
| | | | |
| | | | |

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

| Estimated Revenue | | | Recurring or Nonrecurring | Fund Affected |
|-------------------|------|------|---------------------------|---------------|
| FY24 | FY25 | FY26 | | |
| | | | | |
| | | | | |

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY24 | FY25 | FY26 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|--------------|-------------|-------------|-------------|------------------------------|--------------------------------------|--------------------------|
| Total | | | | | | |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 237 proposes to repeal the Uniform Unclaimed Property Act (1995) and replace it with a new “Revised Uniform Unclaimed Property Act,” while amending a number of other related statutory provisions. The new act contains provisions clarifying the types of property subject to and excluded from the act, specifying when property is assumed to be abandoned, outlining the specific dormancy periods applicable to certain types of property, and requiring data security for confidential information. The new act also requires holders of unclaimed property to provide written notice to the apparent owner as well as a separate report to the state. As with current law, the bill would establish the Taxation and Revenue Department as the “administrator” of the new act and New Mexico’s unclaimed property program. Beyond the new and repealed acts, the bill also updates language and statutory references in a number of other related statutes, such as by replacing an apparently erroneous reference to the State Treasurer in Section 45-3-914 with the word “administrator” with regard to unclaimed property. The effective date of all the bill’s provisions would be January 1, 2026.

FISCAL IMPLICATIONS

None to this office.

SIGNIFICANT ISSUES

Both New Mexico’s current Uniform Unclaimed Property Act (1995) and HB 237’s proposed “Revised Uniform Unclaimed Property Act” are based on the Uniform Unclaimed Property Act developed by the Uniform Law Commission. New Mexico’s current statute is based on the Commission’s previous update in 1995, whereas HB 237 proposes to repeal and replace this with the Commission’s more recent 2016 update. It appears that, as of 2024, twelve states have adopted the 2016 update. More information regarding this update and the significant changes contained within it are available on the Commission’s website: <https://www.uniformlaws.org/committees/community-home?communitykey=4b7c796a-f158-47bc-b5b1-f3f9a6e404fa> (last visited February 1, 2024).

PERFORMANCE IMPLICATIONS

None to this office.

ADMINISTRATIVE IMPLICATIONS

None to this office.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Related, very distantly, to HB 150, which proposes a different amendment to NMSA 1978, Section 7-1-2.

Related, very distantly, to SB 17, which proposes a different amendment to NMSA 1978, Section 7-1-2.

Related, very distantly, to SB 90, which proposes a different amendment to NMSA 1978, Section 7-1-2.

Related, very distantly, to SB 105, which proposes a different amendment to NMSA 1978, Section 7-1-2.

TECHNICAL ISSUES

The phrase “Except as otherwise provided in the Governmental Conduct Act,” on page 89, line 25, of Section 70 of the bill may create some confusion. This language appears to be directed towards Section 10-16-8 of the GCA, which contains restrictions on former government employees with respect to contracts and paid representation before their previous government employers. However, this phrase within Section 70 may create some confusion insofar as the GCA does not appear to contain an exception or provision that would contradict the language of Section 70. That is, the phrase “Except as otherwise provided in the Governmental Conduct Act,” may be unnecessary and serve only to create ambiguity. Better clarity may be ensured by either striking the phrase or rewording it as, “In addition to any other restrictions or limitations contained in the Governmental Conduct Act.”

Section 87 of the bill, on page 108, lines 6-8, exempts from public inspection “records of the administrator and the administrator's agent related to the administration of the Revised Uniform Unclaimed Property Act,” among several other categories of records. This language may be susceptible to an exceptionally broad interpretation, as its literal language would appear to exempt from IPRA any and all records related to unclaimed property. This also has the effect of rendering the other exempted categories of records somewhat superfluous. The purpose of this exemption is unclear.

OTHER SUBSTANTIVE ISSUES

None noted.

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

N/A