Date of State Budget Office Approval:
Date Requested: Wednesday, April 26, 2017
Date Due: Saturday, May 06, 2017

Impact on Expenditures
FY 2017 n/a
FY 2018 n/a
FY 2019 n/a

Impact on Revenues
FY 2017 n/a
FY 2018 Indeterminate
FY 2019 Indeterminate

Explanation by State Budget Office:
This legislation would facilitate the sharing of information between the Treasury, the State Retirement System, the Division of Taxation, and the Department of Labor and Training in order to promote the return of property owed to residents through the Unclaimed Property program. The legislation would also enhance collaboration between the Department of Labor and Training and the State's Retirement System in order to monitor post-retirement work allowances.

Comments on Sources of Funds:
The source of funding for the Unclaimed Property program and the State Retirement System at Treasury are restricted receipts. The Unclaimed Property revenue in excess of the liability holdback, which is transferred annually to the State’s general fund, is deposited as general revenue. For the purposes of this fiscal note, any revenue impact from the passage of this legislation is presented as an adjustment to revenues, even though the transfer to the general fund surplus appears as an expenditure in Treasury's appropriated budget.

Summary of Facts and Assumptions:
Currently, there are several state departments that collect confidential personal data, however, they are limited by law to how and with whom this data can be shared.

For the purposes of the Unclaimed Property Program, the data sharing may more efficiently reunite Rhode Islanders with their unclaimed property as data matching can identify eligible claimants who may not be aware of the Unclaimed Property program. For the purposes of the Retirement Program, the data sharing with the Department of Labor and Training may identify retirees who are working in excess of post-retirement limitations, thus providing savings to the Program if misuses are discovered.

The proposed legislation also adds strict language on the disclosure of information. For example, the data sharing is only for information that is required in order to process an unclaimed property claim, which is dependent on the type of property under consideration. The legislation also requires that the Unclaimed Property Program Manager adhere to the same requirements as the Tax Administrator in regards to divulgence of personal financial information, and would be subject to fines and penalties, including imprisonment, for non-compliance.

While the effective date of the legislation is “upon passage”, it is assumed that the bill would not take effect until July 1, 2017.

Prepared by: Gregory B. Stack / 4012222194 / gregory.stack@budget.ri.gov
Summary of Fiscal Impact:

If passed, the legislation is not expected to have a material effect on the operations of any of the several divisions listed in the bill. If the data sharing arrangements among departments are successful in returning more unclaimed property to their rightful owners, however, the annual transfer of surplus revenue from the Unclaimed Property program to the general fund may be reduced. Because this annual transfer is a computation of several factors, including new revenue to the program, claim payouts, operation cost, and calculation of the liability holdback, an estimate of any change to the revenue transfer cannot be determined.

Budget Office Signature: [Signature]

Fiscal Advisor Signature: [Signature]