



**OFFICE OF
STATE TREASURER
DENISE L. NAPIER**

NEWS

FOR IMMEDIATE RELEASE

Monday, September 13, 2004

**TREASURY SALE OF UNCLAIMED SECURITIES EXCEEDS PROJECTED
REVENUE BY \$38 MILLION; TOTAL OF \$88 MILLION TRANSFERRED TO
GENERAL FUND, WILL BOOST ANTICIPATED STATE SURPLUS**

Record Sale of Unclaimed Securities Completed in Compliance with New State Law

State Treasurer Denise L. Nappier said today that the Treasury's just-completed sale of unclaimed securities exceeded by \$38 million a projection in the state budget for fiscal year 2005, and her office has transferred a total of \$88 million to the state's general fund from the securities liquidation.

In a letter to Governor M. Jodi Rell, Nappier noted that the Office of Fiscal Analysis had anticipated that the Treasury would reap \$50 million from the sale, conducted in accordance with a new law passed by the 2004 General Assembly that provides the Treasury with discretion concerning the timing of the sale of the assets, which consist of securities that had been held in the Treasury's unclaimed property division. The previous sale of such assets, in February 2003, yielded \$22 million.

Nappier said that the additional funds "should be reflected in future analysis of the State's fiscal position," adding that she was "pleased that the execution of the sale of these unclaimed assets has exceeded our expectations and contributed to the strength of our State's fiscal condition." Nappier also noted that the Treasury had "worked hard to maximize the value to the state budget as well as owners or heirs that come forward in the future."

The Treasurer said that securities that were the subject of pending claims were not included in last week's sale, and noted that the sale of the assets does not infringe on the protections afforded by the State's unclaimed property laws which require the value of liquidated assets to be available to rightful owners or heirs in perpetuity. "Should individuals come forward in the future regarding these assets, they will receive the full monetary value as received by the Treasury at the time of liquidation."

A copy of the letter to Governor Rell is attached.

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State of Connecticut



DENISE L. NAPPIER
TREASURER

Hartford

September 10, 2004

Honorable M. Jodi Rell
Governor, State of Connecticut
State Capitol
Hartford, Connecticut 06106

Dear Governor Rell:

I have the pleasure of sharing with you some very good news concerning greater-than-anticipated revenues to the State of Connecticut. In recent days, the Unclaimed Property Division of the State Treasurer's Office, in accordance with Public Act 04-216 conducted a sale of unclaimed public securities that had been in the custody of the Treasury. At the time this enabling legislation was adopted by the General Assembly, the Office of Fiscal Analysis estimated that the liquidation of unclaimed securities would generate a General Fund contribution of \$50 million for Fiscal Year 2005 – a significant contribution to the initial revenue shortfall of \$300 million for the current fiscal year.

As the process of the sale of these unclaimed assets now concludes, I am pleased to report that **the Treasurer's Office is transferring to the State's General Fund a sum in excess of \$88 million, which exceeds the projected revenue by just over \$38 million.**

These funds are transmitted to the Office of Policy and Management for assignment to the General Fund immediately upon receipt, and should be reflected in future analysis of the State's fiscal position. At the present time, it appears that this revenue increase will have the affect of increasing the projected state surplus for Fiscal Year 2005.

By way of comparison, the last sale of such assets by the Treasurer's Office was conducted in February 2003, which yielded \$22 million for the General Fund. With the enactment of Public Act 04-216, the Treasury is now vested with discretion concerning the timing of the sale of these assets, and we have worked hard to maximize their value to the state budget as well as owners or heirs that come forward in the future.

Please be advised that this sale of unclaimed assets will not infringe in any way on the protections afforded by our State's unclaimed property statutes, which require the value of liquidated assets to be available to rightful owners or heirs in perpetuity. Should individuals come forward in the future regarding these assets, they will receive the full

monetary value as received by the Treasury at the time of liquidation. You may also be interested to know that prior to the sale of the securities in our possession, any security that was the subject of a pending claim was held in reserve so that it could be returned to the rightful owner.

I am pleased that the execution of the sale of these unclaimed assets in accordance with the provisions of state law has exceeded our expectations and contributed to the strength of our State's fiscal condition. Should you have any questions, please do not hesitate to contact me directly.

Sincerely,



Denise L. Nappier
State Treasurer

cc: The Honorable Kevin B. Sullivan, Lieutenant Governor
The Honorable Nancy Wyman, State Comptroller
The Honorable Donald E. Williams, Jr., Senate President *Pro Tempore*
The Honorable Moira K. Lyons, Speaker of the House
The Honorable Eileen M. Daily, Co-Chair, Finance, Revenue & Bonding
The Honorable Andrea L. Stillman, Co-Chair, Finance, Revenue & Bonding
The Honorable Toni Nathaniel Harp, Chair, Appropriations
The Honorable William R. Dyson, Chair, Appropriations
The Honorable William H. Nickerson, Ranking Member, Finance, Revenue & Bonding
The Honorable Richard O. Belden, Ranking Member, Finance, Revenue & Bonding
The Honorable Robert L. Genuario, Ranking Member, Appropriations
The Honorable Peter A. Metz, Ranking Member, Appropriations
Marc Ryan, Secretary, Office of Policy and Management
Susan Shimelman, Director, Office of Fiscal Analysis