

## NJ Senate Bill 2681 Seeks to Reverse 2010 Changes to Unclaimed Property Law

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*On January 31, 2011, SB 2681, a bill sponsored by Senator Paul A. Sarlo, was introduced. If passed, SB 2681 would reverse certain recent controversial changes to New Jersey's laws governing the treatment of unclaimed property.*

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As explained in SB 2681, as an ancillary component to New Jersey's fiscal year 2010-2011 budget proposal, the "Governor proposed various revisions to rationalize the State's statutory treatment of unclaimed property. What ensued was a measure which aggressively shortened periods of abandonment for money orders and travelers checks and created a State claim on unused stored value cards." These changes have "caused significant uncertainty for consumers and businesses alike" and have culminated in litigation filed by American Express Travel Related Services Company, Inc., the New Jersey Retail Merchants Association, the New Jersey Food Council ("Food Council"), and American Express Prepaid Card Management Corporation, seeking to enjoin New Jersey from enforcing this new law.

Among other things, SB 2681 seeks to reverse the 2010 changes to the State's unclaimed property statutes, removing all references and the operative section for New Jersey's claim on certain unused stored value cards. The bill would also reenact the 15-year abandonment period for travelers checks and the seven-year abandonment period for money orders, both of which were recently changed to three years. In addition, SB 2681 grants the State Treasurer emergency regulatory authority to implement this act and to reimburse issuers and holders that reported unclaimed property under the recent 2010 changes, which would not have been due reportable otherwise.

[Click here to read the SB 2681.](#)

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