

DEPARTMENT OF FINANCE
DIVISION OF UNCLAIMED PROPERTY
Escheator of the State of Delaware
Statutory Authority, 12 Delaware Code, Section 1155 (12 Del.C. §1155)

PROPOSED

PUBLIC NOTICE

Regulation on Practices and Procedures for Records Examinations by the State Escheator

Nature of Proceedings Synopsis of the Subject and Substance of the Proposed Regulation

In accordance with procedures set forth in 29 Del.C. Ch. 11, Subch. III and 29 Del.C. Ch. 101, the Department of Finance is proposing to adopt a regulation on practices and procedures for records examinations by the State Escheator as described in 12 Del.C. §1155. The proposed regulation sets forth the rules governing the historical periods for which the State Escheator will examine historical records to determine whether the person whose records are being examined has complied with any provision of 12 Del.C. Ch. 11.

Statutory Basis and Legal Authority to Act

12 Delaware Code, § 1154; 12 Delaware Code, § 1155; 12 Delaware Code, §1208.

Other Regulations Affected

None.

How to Comment on the Proposed Regulation

Members of the public may receive a copy of the proposed regulation at no charge by United States Mail by writing or calling Mr. Mark Udinski, Department of Finance, Escheator of the State of Delaware, Carvel State Building, 820 North French Street, P.O. Box 8763, Wilmington, Delaware 19899-8763, phone (302) 577-8260, or facsimile (302) 577-8565. Members of the public may present written comments on the proposed regulation by submitting such written comments to Mr. Mark Udinski at the address of the Delaware Department of Finance as set forth above. Written comments must be received on or before July 31, 2012.

Regulation on Practices and Procedures for Records Examinations by the State Escheator

1.0 Construction of Rules of Practice and Procedure

- 1.1 Unless otherwise provided, these Rules of Practice govern examinations of records of any person or business association or organization to determine whether the person has complied with any provision of 12 Del.C. Ch. 11.
- 1.2 For purposes of these rules: (1) any term in the singular includes the plural, and any term in the plural includes the singular, if such use would be appropriate; and (2) any use of a masculine, feminine, or neuter gender encompasses such other genders as would be appropriate.

2.0 Length of Examination Periods.

- 2.1 There is no provision of Delaware law that now limits the historical period for which the State Escheator may examine records under 12 Del.C. §1155 to determine whether the person under examination has complied with any provision of 12 Del.C. Ch. 11.
- 2.2 As a matter of policy, in previous examinations the State Escheator has not examined records created before January 1, 1981 to determine whether the person under examination has complied with any provision of 12 Del.C. Ch. 11.
- 2.3 As a part of a larger revenue stabilization initiative, the State Escheator has determined that in order to encourage compliance with 12 Del.C. Ch. 11, the following starting periods for examinations will be observed:
 - 2.3.1 For all persons who are now the subject of a records examination under 12 Del.C. §1155, or who become the subject of an examination before the effective date of this regulation, no records created before

January 1, 1986 will be included in the determination of compliance with the provisions of 12 Del.C. Ch. 11, provided that the examination is completed by June 30, 2015.

2.3.2 For all persons who become the subject of examinations on or after the effective date of this regulation, and for all other persons whose examinations are not completed by the close of business on June 30, 2015, the State Escheator will continue his existing policy of examining records created on or after January 1, 1981 to determine whether the person under examination has complied with any provision of 12 Del.C. Ch. 11.

16 DE Reg. 22 (07/01/12) (Prop.)