

**ASSEMBLY BILL**

**No. 2611**

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**Introduced by Assembly Member Bocanegra**

February 21, 2014

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An act to amend Section 1571 of the Code of Civil Procedure, relating to unclaimed property.

LEGISLATIVE COUNSEL'S DIGEST

AB 2611, as introduced, Bocanegra. Unclaimed property: auditing standards.

Existing law, the Unclaimed Property Law, authorizes the Controller to examine the records of a person if the Controller has reason to believe that the person has failed to report property that should have been reported pursuant to that law. Existing law requires the examination to be conducted by a licensing or regulating agency, as specified, and requires the Controller to adopt guidelines as to the policies and procedures governing the activity of third-party auditors who are hired by the Controller.

This bill would require an examination of records to be conducted in accordance with the generally accepted government auditing standards, and would require the Controller to adopt regulations, on or before July 1, 2015, in accordance with those standards, as to the policies and procedures governing the activity of third-party auditors hired by the Controller.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 1571 of the Code of Civil Procedure is  
2 amended to read:

3 1571. (a) The Controller may at reasonable times and upon  
4 reasonable notice examine the records of ~~any~~ a person if the  
5 Controller has reason to believe that the person is a holder who  
6 has failed to report property that should have been reported  
7 pursuant to this chapter.

8 (b) ~~When~~ *If* requested by the Controller, the examination shall  
9 be conducted by ~~any~~ a licensing or regulating agency otherwise  
10 empowered by the laws of this state to examine the records of the  
11 holder *in accordance with the generally accepted government*  
12 *auditing standards*. For the purpose of determining compliance  
13 with this chapter, the Commissioner of Financial Institutions is  
14 vested with full authority to examine the records of any banking  
15 organization and any savings association doing business within  
16 this state but not organized under the laws of or created in this  
17 state.

18 (c) Following a public hearing, the Controller shall adopt  
19 ~~guidelines~~ *regulations, on or before July 1, 2015, in accordance*  
20 *with the generally accepted government auditing standards*, as to  
21 the policies and procedures governing the activity of third-party  
22 auditors who are hired by the Controller *to conduct examinations*  
23 *pursuant to this section*.

24 (d) ~~Following a public hearing, the Controller shall adopt~~  
25 ~~guidelines, on or before July 1, 1999, establishing forms, policies,~~  
26 ~~and procedures to enable a person to dispute or appeal the results~~  
27 ~~of any record examination conducted pursuant to this section. A~~  
28 *person subjected to a record examination pursuant to this section*  
29 *may dispute or appeal the results of the examination using forms,*  
30 *and in accordance with policies and procedures, established*  
31 *pursuant to guidelines adopted by the Controller.*

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