

Thank you for your inquiry concerning RCW 84.64.080, Foreclosure Proceedings and the application of the Uniform Unclaimed Property Act. We believe that excess foreclosure amounts are reportable as unclaimed property, but retainable by the county. We do not agree with the oral interpretation taken by other county treasurer's offices.

RCW 84.64.080, dealing with foreclosure proceedings, provides that unclaimed excess foreclosure proceeds may be deposited into the current expense fund of the county. It is silent, however, on whether this transfer of proceeds grants the county any "rights" in the excess funds. RCW 63.29.190(2), on the other hand, speaks to the issue of ownership. A local government may retain excess foreclosure proceeds "until the owner notifies them and establishes ownership . . . ." Since statutes are read in a manner to harmonize the intent of the legislature and to avoid conflicts, reading these two statutes together, a county may retain excess foreclosure proceeds subject to the superior claim of the owner. Thus, RCW 84.64.080 does not extinguish the claim of an owner in excess proceeds.

As to the reporting requirement, RCW 63.29.130 and RCW 63.29.190(2) require that a governmental entity report any intangible property that remains unclaimed two years after becoming payable to the Department of Revenue. In the third year, the county may move the money to its current expense account subject to the future claim of an owner.

I believe this position allows the questioned RCW's to be interpreted without conflict. The excess proceeds can be transferred to the expense fund, but the county would remain liable to pay owners in perpetuity per RCW 63.29.135. Obviously, the "owner" would need to provide proof of their claim to the County's satisfaction.

I hope this was useful information. I am enclosing a copy of our reporting guide for local governments

Sincerely,

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[Enclosure]