

## GENERAL SERVICES ADMINISTRATION

### 41 CFR Parts 101–48 and 102–41

[FPMR Amendment 2006-05; FPMR Case 2004–101–1; FMR Case 2004–102–2]

RIN 3090–AH11

### Federal Property Management Regulations; Disposition of Seized, Forfeited, Voluntarily Abandoned, and Unclaimed Personal Property

**AGENCY:** Office of Governmentwide Policy, General Services Administration (GSA).

**ACTION:** Final rule.

**SUMMARY:** The General Services Administration (GSA) is amending the Federal Property Management Regulations (FPMR) by revising coverage on utilization, donation, or disposal of abandoned and forfeited personal property and moving it into the Federal Management Regulation (FMR). A cross-reference is added to the FPMR to direct readers to the coverage in the FMR. The FMR is written in plain language to provide agencies with updated regulatory material that is easy to read and understand.

**DATES:** *Effective Date:* July 21, 2006.

**FOR FURTHER INFORMATION CONTACT:** The Regulatory Secretariat, Room 4035, GS Building, Washington, DC 20405, at (202) 501–4755 for information pertaining to status or publication schedules. For clarification of content, contact Mr. Robert A. Holcombe, Office of Governmentwide Policy, Office of Travel, Transportation, and Asset Management (MT), at (202) 501–3828, or Internet e-mail at [robert.holcombe@gsa.gov](mailto:robert.holcombe@gsa.gov). Please cite FPMR Amendment 2006-05, FPMR case 2004–101–1, FMR case 2004–102–2.

#### SUPPLEMENTARY INFORMATION:

##### A. Background

This final rule updates, streamlines, and clarifies FPMR part 101–48 and moves the part into the Federal Management Regulation (FMR). The final rule is written in a plain language question and answer format. This style uses an active voice, shorter sentences, and pronouns. A question and its answer combine to establish a rule. The employee and the agency must follow the language contained in both the question and its answer.

A proposed rule was published in the *Federal Register* (70 FR 15792, March 29, 2005). The only activity providing comments was the General Services Administration's Federal Supply Service (FSS). The FSS had 15

comments that are summarized, along with our responses, below:

1. *Title of part 102–41.* Comment to confirm that the title correctly uses the term “disposition,” as the title to FPMR part 101–48 uses the word “disposal”.

*Response:* Agreed. The term “disposition” includes disposal and more accurately portrays the scope of the discussion of this part.

2. *Section 102–41.5.* Comment that “disposition” should be used instead of “disposal” to be consistent with the title of this part.

*Response:* Agreed. This change was made.

3. *Section 102–41.5.* Comment that the text should make clear that GSA does not normally accept responsibility for the disposal of overseas excess property.

*Response:* Agreed. Clarifying text has been added.

4. *Section 102–41.20.* Comment that the term “beer” is defined in this part, whereas “malted beverage” was defined in FPMR part 101–48.

*Response:* No change. The term “malted beverage” does not appear in this part, and does not need to be defined.

5. *Section 102–41.20.* Comment that the definition for “unclaimed property” should include the provision that the owner may file a claim for up to three years.

*Response:* No change. The definition for “unclaimed property” does not need to include this provision. This aspect of the property is discussed in section 102–41.180.

6. *Section 102–41.20.* Comment that the definition for “voluntarily abandoned property” should specify that evidence of voluntary abandonment can be either in writing or circumstantial.

*Response:* Agreed. This change has been made.

7. *Section 102–41.30(a).* Comment that the reference to “GSA regional office” be changed to “GSA Region3/NCR” as Region 3/NCR has primary responsibility to file appropriate applications with the Federal district court.

*Response:* Agreed. This change has been made.

8. *Section 102–41.30(b)(4).* Comment that this provision should specify the possibility of abandoning or destroying the property, not just destruction.

*Response:* Agreed. This change has been made.

9. *Section 102–41.35.* Comment that individual agencies may have their own legislative authorities that may not require these agencies to report personal property to GSA as excess.

*Response:* Agreed. A general statement was added that allowed for special authorities outside 40 U.S.C.

10. *Section 102–41.75.* Comment about GSA's ability to retain sales proceeds.

*Response:* No change. If an agency has specific legislative authority to retain proceeds from the sale of forfeited property, the agency may retain sales proceeds. This is addressed in the provision.

11. *Section 102–41.80.* Comment regarding “voluntarily abandoned property” and that evidence relating to the abandonment of this property may not always be formally documented.

*Response:* Agreed. The definition of “voluntarily abandoned property” has been changed to take into account that evidence of voluntary abandonment can be circumstantial.

12. *Section 102–41.105.* Comment regarding the inclusion of a provision for “abandonment or destruction.”

*Response:* Agreed. This provision has been added.

13. *Section 102–41.115.* Comment regarding GSA's ability to retain sales proceeds upon the sale of “voluntarily abandoned property.”

*Response:* No change. Similar to the comment and response to comment number 10, an agency that has specific statutory authority to retain proceeds may retain proceeds.

14. *Section 102–41.130(b).* Comment regarding the disposition of unclaimed property and how the owner filing a claim would obtain a reimbursement.

*Response:* No change. The provisions of these subparts relating to the disposition of unclaimed property provide for the finding agency to obtain reimbursement for the transfer of this property or set aside sales proceeds to reimburse the owner filing a claim within 3 years. The finding agency is responsible to pay the reimbursement to the owner filing a claim.

15. *Section 102–41.180.* Comment regarding GSA's ability to retain sales proceeds from the sale of unclaimed property on behalf of the finding agency.

*Response:* No change. The finding agency must deposit proceeds from the sale of unclaimed personal property in a special account for three years pending a possible claim by the owner. After three years, the ability of an agency to retain the proceeds depends on whether an agency has specific legislative authority to do so. Otherwise, if an agency does not have specific legislative authority, the proceeds are deposited as miscellaneous receipts in the U.S. Treasury.

During the final review process with the Office of Management and Budget, additional clarifications were made regarding the use or disposal of voluntarily abandoned personal property and unclaimed personal property. Provisions are added to allow the agency to abandon or destroy property of low value if there is no anticipated use for the property in order to save storage and handling costs.

#### B. Executive Order 12866

GSA has determined that this proposed rule is not a significant regulatory action for the purposes of Executive Order 12866 dated September 30, 1993.

#### C. Regulatory Flexibility Act

This final rule is not required to be published in the **Federal Register** for notice and comment; therefore the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, does not apply.

#### D. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because this final rule does not impose recordkeeping or information collection requirements, or the collection of information from offerors, contractors, or members of the public which require the approval of the Office of Management and Budget (OMB) under 44 U.S.C. 3501, *et seq.*

#### E. Small Business Regulatory Enforcement Fairness Act

This final rule is exempt from Congressional review prescribed under 5 U.S.C. 801 since it relates solely to agency management and personnel.

#### List of Subjects in 41 CFR Parts 101–48 and 102–41

Government property management.

Dated: February 23, 2006.

David L. Bibb,

Acting Administrator of General Services.

■ For the reasons set forth in the preamble, GSA amends 41 CFR chapters 101 and 102 as set forth below:

#### CHAPTER 101—FEDERAL PROPERTY MANAGEMENT REGULATIONS

■ 1. Part 101–48 is revised to read as follows:

#### PART 101–48—UTILIZATION, DONATION, OR DISPOSAL OF ABANDONED AND FORFEITED PERSONAL PROPERTY

Authority: 40 U.S.C. 121(c).

#### § 101–48.000 Cross-reference to the Federal Management Regulation (FMR) (41 CFR chapter 102, part 102–41).

For information on the disposition of seized, forfeited, voluntarily abandoned, and unclaimed personal property, see FMR part 102–41 (41 CFR part 102–41).

#### CHAPTER 102—FEDERAL MANAGEMENT REGULATION

■ 2. Part 102–41 is added to subchapter B of chapter 102 to read as follows:

#### PART 102–41—DISPOSITION OF SEIZED, FORFEITED, VOLUNTARILY ABANDONED, AND UNCLAIMED PERSONAL PROPERTY

##### Subpart A—General Provisions

Sec.

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102–41.155 Is unclaimed personal property available for transfer to another Federal agency?

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##### Firearms

102–41.190 May we retain forfeited, voluntarily abandoned, or unclaimed firearms for official use?

102–41.195 How do we dispose of forfeited, voluntarily abandoned, or unclaimed firearms not retained for official use?

102–41.200 Are there special disposal provisions for firearms that are seized and forfeited for a violation of the National Firearms Act?

**Forfeited Distilled Spirits, Wine, and Beer**

102–41.205 Do we report all forfeited distilled spirits, wine, and beer to GSA for disposal?

**Drug Paraphernalia**

102–41.210 What are some examples of drug paraphernalia?

102–41.215 Do we report to GSA all forfeited, voluntarily abandoned, or unclaimed drug paraphernalia not required for official use?

102–41.220 Is drug paraphernalia forfeited under 21 U.S.C. 863 available for transfer to other Federal agencies or donation through a State agency for surplus property (SASP)?

102–41.225 Are there special provisions to reporting and transferring drug paraphernalia forfeited under 21 U.S.C. 863?

102–41.230 May SASPs pick up or store donated drug paraphernalia in their distribution centers?

102–41.235 May we sell forfeited drug paraphernalia?

**Authority:** 40 U.S.C. 121(c).

**Subpart A—General Provisions****§ 102–41.5 What does this part cover?**

(a) This part covers the disposition of seized, forfeited, voluntarily abandoned, and unclaimed personal property under the custody of any Federal agency located in the United States, the U.S. Virgin Islands, American Samoa, Guam, the Commonwealth of Puerto Rico, the Northern Mariana Islands, the Federated States of Micronesia, the Marshall Islands, and Palau. Disposition of such personal property located elsewhere must be in accordance with holding agency regulations. Please see § 102–36.380 of this subchapter B regarding the disposal of foreign excess. The General Services Administration (GSA) does not normally accept responsibility for disposal of property located outside the United States and its territories. Additional guidance on disposition of seized, forfeited, voluntarily abandoned, and unclaimed personal property that requires special handling (e.g., firearms, hazardous materials) is contained in part 101–42 of this title. Additional guidance on the disposition of firearms (as scrap only), distilled spirits, wine, beer, and drug paraphernalia is provided in subpart E of this part.

(b) These regulations do not include disposal of seized, forfeited, voluntarily abandoned, and unclaimed personal property covered under authorities outside of the following statutes:

(1) 40 U.S.C. 552, Abandoned or Unclaimed Property on Government Premises.

(2) 40 U.S.C. 1306, Disposition of Abandoned or Forfeited Property.

(3) 26 U.S.C. 5688, Forfeited Distilled Spirits, Wines, and Beer.

(4) 26 U.S.C. 5872, Forfeited Firearms.

(5) 21 U.S.C. 863, Drug Paraphernalia.

**§ 102–41.10 To whom do “we”, “you”, and their variants refer?**

Use of pronouns “we”, “you”, and their variants throughout this part refer to the agency having custody of the personal property.

**§ 102–41.15 How do we request a deviation from these requirements and who can approve it?**

See §§ 102–2.60 through 102–2.110 of this chapter to request a deviation from the requirements of this part.

**Definitions****§ 102–41.20 What definitions apply to this part?**

The following definitions apply to this part:

*Beer* means an alcoholic beverage made from malted cereal grain, flavored with hops, and brewed by slow fermentation.

*Distilled spirits*, as defined in the Federal Alcohol Administration Act (27 U.S.C. 211), means ethyl alcohol; hydrated oxide of ethyl; or spirits of wine, whiskey, rum, brandy, gin, and other distilled spirits, including all dilutions and mixtures thereof, for non-industrial use.

*Drug paraphernalia* means any equipment, product, or material primarily intended or designed for use in manufacturing, compounding, converting, concealing, processing, preparing, or introducing into the human body a controlled substance in violation of the Controlled Substances Act (see 21 U.S.C. 863). It includes items primarily for use in injecting, ingesting, inhaling, or otherwise introducing marijuana, cocaine, hashish, hashish oil, PCP, or amphetamines into the human body.

*Eleemosynary institution* means any nonprofit health or medical institution that is organized and operated for charitable purposes.

*Firearms* means any weapon, silencer, or destructive device designed to, or readily convertible to, expel a projectile by the action of an explosive, as defined in the Internal Revenue Code (26 U.S.C. 5845). Excludes antique firearms as defined in 26 U.S.C. 5845(g).

*Forfeited property* means personal property that the Government has acquired ownership of through a summary process or court order pursuant to any law of the United States.

*Seized property* means personal property that has been confiscated by a Federal agency, and whose care and handling will be the responsibility of the agency until final ownership is determined by the judicial process.

*Unclaimed property* means personal property unknowingly abandoned and found on premises owned or leased by the Government, i.e., lost and found property.

*Voluntarily abandoned property* means personal property abandoned to any Federal agency in a way that immediately vests title to the property in the Government. There must be written or circumstantial evidence that the property was intentionally and voluntarily abandoned. This evidence should be clear that the property was not simply lost by the owner.

*Wine* means the fermented juice of a plant product, as defined in 27 U.S.C. 211.

**Responsibility****§ 102–41.25 Who retains custody and is responsible for the reporting, care, and handling of property covered by this part?**

You, the holding agency, normally retain physical custody of the property and are responsible for its care and handling pending final disposition. With the exception of property listed in § 102–41.35, you must report promptly to the GSA forfeited, voluntarily abandoned, or unclaimed personal property not being retained for official use and seized property on which proceedings for forfeiture by court decree are being started or have begun. In general, the procedures for reporting such property parallel those for reporting excess personal property under part 102–36 of this subchapter B.

**§ 102–41.30 What is GSA’s role in the disposition of property covered by this part?**

(a) *Seized property subject to court proceedings for forfeiture.* (1) If the seizing agency files a request for the property for its official use, the GSA Region 3/National Capital Region will apply to the court for an order to turn the property over to the agency should forfeiture be decreed. If no such request has been filed, GSA will determine whether retention of the property for Federal official use is in the Government’s best interest, and, if so, will apply to the court to order delivery of the property to—

(i) Any other Federal agency that requests it; or

(ii) The seizing agency to be retained for a reasonable time in case the

property may later become necessary to any agency for official use.

(2) In the event that the property is not ordered by competent authority to be forfeited to the United States, it may be returned to the claimant.

(b) *Forfeited, voluntarily abandoned, or unclaimed property.* When forfeited, voluntarily abandoned, or unclaimed property is reported to GSA for disposal, GSA will direct its disposition by—

(1) Transfer to another Federal agency;

(2) Donation to an eligible recipient, if the property is not needed by a Federal agency and there are no requirements for reimbursement to satisfy the claims of owners, lien holders, or other lawful claimants;

(3) Sale; or

(4) Abandonment and destruction in accordance with § 102–36.305 of this subchapter B.

**§ 102–41.35 Do we report to GSA all seized personal property subject to judicial forfeiture as well as forfeited, voluntarily abandoned, or unclaimed personal property not retained for official use?**

Yes, send GSA reports of excess (see § 102–36.125 of this subchapter B) for all seized personal property subject to judicial forfeiture as well as forfeited, voluntarily abandoned, or unclaimed personal property not required for official use, except the following, whose disposition is covered under other statutes and authorities:

(a) Forfeited firearms or munitions of war seized by the Department of Commerce and transferred to the Department of Defense (DOD) pursuant to 22 U.S.C. 401.

(b) Forfeited firearms directly transferable to DOD by law.

(c) Seeds, plants, or misbranded packages seized by the Department of Agriculture.

(d) Game animals and equipment (other than vessels, including cargo) seized by the Department of the Interior.

(e) Files of papers and undeliverable mail in the custody of the United States Postal Service.

(f) Articles in the custody of the Department of Commerce Patent and Trademark Office that are in violation of laws governing trademarks or patents.

(g) Unclaimed and voluntarily abandoned personal property subject to laws and regulations of the U.S. Customs and Border Protection, Department of Homeland Security.

(h) Property seized in payment of or as security for debts arising under the internal revenue laws.

(i) Lost, abandoned, or unclaimed personal property the Coast Guard or

the military services are authorized to dispose of under 10 U.S.C. 2575.

(j) Property of deceased veterans left on a Government facility subject to 38 U.S.C. 8501.

(k) Controlled substances reportable to the Drug Enforcement Administration, Department of Justice, Washington, DC 20537.

(l) Forfeited, condemned, or voluntarily abandoned tobacco, snuff, cigars, or cigarettes which, if offered for sale, will not bring a price equal to the internal revenue tax due and payable thereon; and which is subject to destruction or delivery without payment of any tax to any hospital maintained by the Federal Government for the use of present or former members of the military.

(m) Property determined appropriate for abandonment/destruction (see § 102–36.305 of this subchapter B).

(n) Personal property where handling and disposal is governed by specific legislative authority notwithstanding Title 40 of the United States Code.

**Subpart B—Seized or Forfeited Personal Property**

**§ 102–41.40 How is personal property forfeited?**

Personal property that has been seized by a Federal agency may be forfeited through court decree (judicial forfeiture) or administratively forfeited if the agency has specific authority without going through the courts.

**§ 102–41.45 May we place seized personal property into official use before the forfeiture process is completed?**

No, property under seizure and pending forfeiture cannot be placed into official use until a final determination is made to vest title in the Government.

**§ 102–41.50 May we retain forfeited personal property for official use?**

Yes, you may retain for official use personal property forfeited to your agency, except for property you are required by law to sell. Retention of large sedans and limousines for official use is only authorized under the provisions of part 102–34 of this subchapter B. Except for the items noted in § 102–41.35, report to GSA all forfeited personal property not being retained for official use.

**§ 102–41.55 Where do we send the reports for seized or forfeited personal property?**

(a) Except for the items noted in paragraph (b) of this section, report seized or forfeited personal property not retained for official use to the General Services Administration, Property

Management Branch (3FPD), Washington, DC 20407.

(b) Report aircraft, firearms, and vessels to the regional GSA Property Management Branch office specified in § 102–36.125 of this subchapter B.

**§ 102–41.60 Are there special requirements in reporting seized or forfeited personal property to GSA?**

Yes, in addition to the information required in § 102–36.235 of this subchapter B for reporting excess, you must indicate—

(a) Whether the property—

(1) Was forfeited in a judicial proceeding or administratively (without going through a court);

(2) Is subject to pending court proceedings for forfeiture, and, if so, the name of the defendant, the place and judicial district of the court from which the decree will be issued, and whether you wish to retain the property for official use;

(b) The report or case number under which the property is listed; and

(c) The existence or probability of a lien, or other accrued or accruing charges, and the amount involved.

**§ 102–41.65 What happens to forfeited personal property that is transferred or retained for official use?**

Except for drug paraphernalia (see §§ 102–41.210 through 102–41.235), forfeited personal property retained for official use or transferred to another Federal agency under this subpart loses its identity as forfeited property. When no longer required for official use, you must report it to GSA as excess for disposal in accordance with part 102–36 of this subchapter B. You must follow the additional provisions of subpart E of this part and part 101–42 of Chapter 101, Federal Property Management Regulations in this title when disposing of firearms, distilled spirits, wine, beer, and drug paraphernalia.

**§ 102–41.70 Are transfers of forfeited personal property reimbursable?**

Recipient agencies do not pay for the property. However, you may charge the recipient agency all costs you incurred in storing, packing, loading, preparing for shipment, and transporting the property. If there are commercial charges incident to forfeiture prior to the transfer, the recipient agency must pay these charges when billed by the commercial organization. Any payment due to lien holders or other lawful claimants under a judicial forfeiture must be made in accordance with provisions of the court decree.

**§ 102–41.75 May we retain the proceeds from the sale of forfeited personal property?**

No, you must deposit the sales proceeds in the U.S. Treasury as miscellaneous receipts, unless otherwise directed by court decree or specifically authorized by statute.

**Subpart C—Voluntarily Abandoned Personal Property****§ 102–41.80 When is personal property voluntarily abandoned?**

Personal property is voluntarily abandoned when the owner of the property intentionally and voluntarily gives up title to such property and title vests in the Government. The receiving agency ordinarily documents receipt of the property to evidence its voluntary relinquishment. Evidence of the voluntary abandonment may be circumstantial.

**§ 102–41.85 What choices do I have for retaining or disposing of voluntarily abandoned personal property?**

You may either retain or dispose of voluntarily abandoned personal property based on the following circumstances:

(a) If your agency has a need for the property, you may retain it for official use, except for large sedans and limousines which may only be retained for official use as authorized under part 102–34 of this subchapter B. See § 102–41.90 for how retained property must be handled.

(b) If your agency doesn't need the property, you should determine whether it may be abandoned or destroyed in accordance with the provisions at FMR 102–36.305 through 102–36.330. Furthermore, in addition to the circumstances when property may be abandoned or destroyed without public notice at FMR 102–36.330, voluntarily abandoned property may also be abandoned or destroyed without public notice when the estimated resale value of the property is less than \$500.

(c) If the property is not retained for official use or abandoned or destroyed, you must report it to GSA as excess in accordance with § 102–41.95.

**§ 102–41.90 What happens to voluntarily abandoned personal property retained for official use?**

Voluntarily abandoned personal property retained for official use or transferred to another Federal agency under this subpart loses its identity as voluntarily abandoned property. When no longer required for official use, you must report it to GSA as excess, or abandon/destroy the property, in

accordance with part 102–36 of this subchapter B.

**§ 102–41.95 Where do we send the reports for voluntarily abandoned personal property?**

Except for aircraft, firearms, and vessels, report voluntarily abandoned personal property to the regional GSA Property Management Branch office for the region in which the property is located. Report aircraft, firearms, and vessels to the regional GSA Property Management Branch office specified in § 102–36.125 of this subchapter B.

**§ 102–41.100 What information do we provide when reporting voluntarily abandoned personal property to GSA?**

When reporting voluntarily abandoned personal property to GSA, you must provide a description and location of the property, and annotate that the property was voluntarily abandoned.

**§ 102–41.105 What happens to voluntarily abandoned personal property when reported to GSA?**

Voluntarily abandoned personal property reported to GSA will be made available for transfer, donation, sale, or abandonment/destruction in accordance with parts 102–36, 102–37, 102–38, and §§ 102–36.305 through 102–36.330 of this subchapter B, respectively. You must follow the additional provisions of §§ 102–41.190 through 102–41.235 and part 101–42 of Chapter 101, Federal Property Management Regulations in this title when disposing of firearms and other property requiring special handling.

**§ 102–41.110 Are transfers of voluntarily abandoned personal property reimbursable?**

No, all transfers of voluntarily abandoned personal property will be without reimbursement. However, you may charge the recipient agency all costs you incurred in storing, packing, loading, preparing for shipment, and transporting the property.

**§ 102–41.115 May we retain the proceeds received from the sale of voluntarily abandoned personal property?**

No, you must deposit the sales proceeds in the U.S. Treasury as miscellaneous receipts unless your agency has specific statutory authority to do otherwise.

**Subpart D—Unclaimed Personal Property****§ 102–41.120 How long must we hold unclaimed personal property before disposition?**

You must generally hold unclaimed personal property for 30 calendar days from the date it was found. Unless the previous owner files a claim, title to the property vests in the Government after 30 days, and you may retain or dispose of the property in accordance with this part. However, see the following sections for handling of unclaimed personal property under specific circumstances.

**§ 102–41.125 What choices do I have for retaining or disposing of unclaimed personal property?**

You may either retain or dispose of unclaimed abandoned personal property based on the following circumstances:

(a) If your agency has a need for the property, you may retain it for official use if you have held the unclaimed property for 30 calendar days and the former owner has not filed a claim.

After 30 days, title vests in the Government and you may retain the unclaimed property for official use. Large sedans and limousines which may only be retained for official use as authorized under part 102–34 of this subchapter B. See § 102–41.130 for how retained property must be handled.

(b) If your agency doesn't need the property, you should determine whether it may be immediately abandoned or destroyed in accordance with the provisions at FMR 102–36.305 through 102–36.330. You are not required to hold unclaimed property for 30 days, if you decide to abandon or destroy it.

Title to the property immediately vests in the Government in these circumstances. In addition to the circumstances when property may be abandoned or destroyed without public notice at FMR 102–36.330, unclaimed personal property may also be abandoned or destroyed without public notice when the estimated resale value of the property is less than \$500. See § 102–41.135 for procedures to be followed if a claim is filed.

(c) If the property is not retained for official use or abandoned or destroyed, you must report it to GSA as excess in accordance with § 102–41.140.

**§ 102–41.130 What must we do when we retain unclaimed personal property for official use?**

(a) You must maintain records of unclaimed personal property retained for official use for 3 years after title vests in the Government to permit identification of the property should the

former owner file a claim for the property. You must also deposit funds received from disposal of such property in a special account to cover any valid claim filed within this 3-year period.

(b) When you no longer need the unclaimed property which you have placed in official use, report it as excess in the same manner as other excess property under part 102-36 of this subchapter B.

**§ 102-41.135 How much reimbursement do we pay the former owner when he or she files a claim for unclaimed personal property that we no longer have?**

If the property was sold, reimbursement of the property to the former owner must not exceed any proceeds from the disposal of such property, less the costs of the Government's care and handling of the property. If the property was abandoned or destroyed in accordance with § 102-41.125, or otherwise used or transferred, reimbursement of the property to the former owner must not exceed the estimated resale value of the property at the time of the vesting of the property with the Government, less costs incident to the care and handling of the property, as determined by the General Services Administration, Office of Travel, Transportation, and Asset Management (MT), Washington DC, 20405.

**§ 102-41.140 When do we report to GSA unclaimed personal property not retained for official use?**

After you have held the property for 30 calendar days and no one has filed a claim for it, the title to the property vests in the Government. If you decide not to retain the property for official use, report it as excess to GSA in accordance with part 102-36 of this subchapter B.

**§ 102-41.145 Where do we send the reports for unclaimed personal property?**

Except for the items noted in § 102-36.125 of this subchapter B, report unclaimed personal property to the regional GSA Property Management Branch office for the region in which the property is located.

**§ 102-41.150 What special information do we provide on reports of unclaimed personal property?**

On reports of unclaimed personal property, you must provide the report or case number assigned by your agency, property description and location, and indicate the property as unclaimed and the estimated fair market value.

**§ 102-41.155 Is unclaimed personal property available for transfer to another Federal agency?**

Yes, unclaimed personal property is available for transfer to another Federal agency, but only after 30 calendar days from the date of finding such property and no claim has been filed by the former owner, and with fair market value reimbursement from the recipient agency. The transferred property then loses its identity as unclaimed property and becomes property of the Government, and when no longer needed it must be reported excess in accordance with part 102-36 of this subchapter B.

**§ 102-41.160 May we retain the reimbursement from transfers of unclaimed personal property?**

No, you must deposit the reimbursement from transfers of unclaimed personal property in a special account for a period of 3 years pending a claim from the former owner. After 3 years, you must deposit these funds into miscellaneous receipts of the U.S. Treasury unless your agency has statutory authority to do otherwise.

**§ 102-41.165 May we require reimbursement for the costs incurred in the transfer of unclaimed personal property?**

Yes, you may require reimbursement from the recipient agency of any direct costs you incur in the transfer of the unclaimed property (e.g., storage, packing, preparation for shipping, loading, and transportation).

**§ 102-41.170 Is unclaimed personal property available for donation?**

No, unclaimed personal property is not available for donation because reimbursement at fair market value is required.

**§ 102-41.175 May we sell unclaimed personal property?**

Yes, you may sell unclaimed personal property after title vests in the Government (as provided for in § 102-41.120) and when there is no Federal interest. You may sell unclaimed personal property subject to the same terms and conditions as applicable to surplus personal property and in accordance with part 102-38 of this subchapter B.

**§ 102-41.180 May we retain the proceeds from the sale of unclaimed personal property?**

No, you must deposit proceeds from the sale of unclaimed personal property in a special account to be maintained for a period of 3 years pending a possible claim by the former owner. After the 3-year period, you must deposit the funds in the U.S. Treasury as miscellaneous

receipts or in such other agency accounts when specifically authorized by statute.

**Subpart E—Personal Property Requiring Special Handling**

**§ 102-41.185 Are there certain types of forfeited, voluntarily abandoned, or unclaimed property that must be handled differently than other property addressed in this part?**

Yes, you must comply with the additional provisions in this subpart when disposing of the types of property listed here.

**Firearms**

**§ 102-41.190 May we retain forfeited, voluntarily abandoned, or unclaimed firearms for official use?**

Generally, no; you may retain forfeited, voluntarily abandoned, or unclaimed firearms only when you are statutorily authorized to use firearms for official purposes.

**§ 102-41.195 How do we dispose of forfeited, voluntarily abandoned, or unclaimed firearms not retained for official use?**

Report forfeited, voluntarily abandoned, or unclaimed firearms not retained for official use to the General Services Administration, Property Management Branch (7FP-8), Denver, CO 80225-0506 for disposal in accordance with § 101-42.1102-10 of the Federal Property Management Regulations in this title.

**§ 102-41.200 Are there special disposal provisions for firearms that are seized and forfeited for a violation of the National Firearms Act?**

Yes, firearms seized and forfeited for a violation of the National Firearms Act (26 U.S.C. 5801-5872) are subject to the disposal provisions of 26 U.S.C. 5872(b). When there is no contrary

judgment or action under such forfeiture, GSA will direct the disposition of the firearms. GSA may—

(a) Authorize retention for official use by the Treasury Department;

(b) Transfer to an executive agency for use by it; or

(c) Order the firearms destroyed.

**Forfeited Distilled Spirits, Wine, and Beer**

**§ 102-41.205 Do we report all forfeited distilled spirits, wine, and beer to GSA for disposal?**

(a) Yes, except do not report distilled spirits, wine, and beer not fit for human consumption or for medicinal, scientific, or mechanical purposes. When reporting, indicate quantities and kinds, proof rating, and condition for

shipping. GSA (3FPD) may transfer such property to another Federal agency for official purposes, or donate it to eligible eleemosynary institutions for medicinal purposes only.

(b) Forfeited distilled spirits, wine, and beer that are not retained for official use by the seizing agency or transferred or donated to eligible recipients by GSA must be destroyed. You must document the destruction with a record of the time and location, property description, and quantities destroyed.

### Drug Paraphernalia

#### § 102–41.210 What are some examples of drug paraphernalia?

Some examples of drug paraphernalia are—

(a) Metal, wooden, acrylic, glass, stone, plastic or ceramic pipes with or without screens, permanent screens, hashish heads, or punctured metal bowls;

(b) Water pipes;

(c) Carburetion tubes and devices;

(d) Smoking and carburetion masks;

(e) Roach clips (objects used to hold burning material, such as a marijuana cigarette, that has become too small or too short to be held in the hand);

(f) Miniature spoons with level capacities of one-tenth cubic centimeter or less;

(g) Chamber pipes;

(h) Carburetor pipes;

(i) Electric pipes;

(j) Air-driven pipes;

(k) Chillums;

(l) Bonges;

(m) Ice pipes or chillers;

(n) Wired cigarette papers; or

(o) Cocaine freebase kits.

#### § 102–41.215 Do we report to GSA all forfeited, voluntarily abandoned, or unclaimed drug paraphernalia not required for official use?

No, only report drug paraphernalia that has been seized and forfeited for a violation of 21 U.S.C. 863. Unless statutorily authorized to do otherwise, destroy all other forfeited, voluntarily abandoned, or unclaimed drug paraphernalia. You must ensure the destruction is performed in the presence of two witnesses (employees of your agency), and retain in your records a signed certification of destruction.

#### § 102–41.220 Is drug paraphernalia forfeited under 21 U.S.C. 863 available for transfer to other Federal agencies or donation through a State Agency for Surplus Property (SASP)?

Yes, but GSA will only transfer or donate forfeited drug paraphernalia for law enforcement or educational purposes and only for use by Federal, State, or local authorities. Federal or State Agencies for Surplus Property (SASP) requests for such items must be

processed through the General Services Administration, Property Management Branch (3FPD), Washington, DC 20407. The recipient must certify on the transfer document that the drug paraphernalia will be used for law enforcement or educational purposes only.

#### § 102–41.225 Are there special provisions to reporting and transferring drug paraphernalia forfeited under 21 U.S.C. 863?

Yes, you must ensure that such drug paraphernalia does not lose its identity as forfeited property. Reports of excess and transfer documents for such drug paraphernalia must include the annotation that the property was seized and forfeited under 21 U.S.C. 863.

#### § 102–41.230 May SASPs pick up or store donated drug paraphernalia in their distribution centers?

No, you must release donated drug paraphernalia directly to the donee as designated on the transfer document.

#### § 102–41.235 May we sell forfeited drug paraphernalia?

No, you must destroy any forfeited drug paraphernalia not needed for transfer or donation and document the destruction as specified in § 102–41.215. [FR Doc. E6–11584 Filed 7–20–06; 8:45 am]

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