

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1026

Final Reading

Introduced by Avery, 28.

Read first time January 17, 2012

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to the Uniform Disposition of Unclaimed Property
2 Act; to amend section 69-1317, Reissue Revised Statutes
3 of Nebraska; to change provisions relating to
4 confidential records; to eliminate obsolete provisions;
5 and to repeal the original section.

6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 69-1317, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 69-1317 (a)(1) Except as otherwise provided in this
4 subdivision, all funds received under the Uniform Disposition of
5 Unclaimed Property Act, including the proceeds from the sale of
6 abandoned property under section 69-1316, shall be deposited by the
7 State Treasurer in a separate trust fund from which he or she shall
8 make prompt payment of claims allowed pursuant to the act and payment
9 of any auditing expenses associated with the receipt of abandoned
10 property. All funds received under section 69-1307.05 shall be
11 deposited by the State Treasurer in a separate life insurance
12 corporation demutualization trust fund, which is hereby created, from
13 which he or she shall make prompt payment of claims regarding such
14 funds allowed pursuant to the act. Transfers from the separate life
15 insurance corporation demutualization trust fund to the General Fund
16 may be made at the direction of the Legislature. Before making the
17 deposit he or she shall record the name and last-known address of
18 each person appearing from the holders' reports to be entitled to the
19 abandoned property, the name and last-known address of each insured
20 person or annuitant, and with respect to each policy or contract
21 listed in the report of a life insurance corporation, its number, the
22 name of the corporation, and the amount due. The record shall be
23 available for public inspection during business hours.

24 The record shall not be subject to public inspection or
25 available for copying, reproduction, or scrutiny by commercial or

1 professional locators of property presumed abandoned who charge any
2 service or finders' fee until twenty-four months after the names from
3 the holders' reports have been published or officially disclosed.
4 Records concerning the social security number, date of birth, ~~amount~~
5 ~~due,~~ and last-known address of an owner shall be treated as
6 confidential and subject to the same confidentiality as tax return
7 information held by the Department of Revenue, except that the
8 Auditor of Public Accounts shall have unrestricted access to such
9 records.

10 A professional finders' fee shall be limited to ten
11 percent of the total dollar amount of the property presumed
12 abandoned. To claim any such fee, the finder shall disclose to the
13 owner the nature, location, and value of the property, provide notice
14 of when such property was reported to the State Treasurer, and
15 provide notice that the property may be claimed by the owner from the
16 State Treasurer free of charge. To claim any such fee if the property
17 has not yet been abandoned, the finder shall disclose to the owner
18 the nature, location, and value of the property, provide notice of
19 when such property will be reported to the State Treasurer, if known,
20 and provide notice that, upon receipt of the property by the State
21 Treasurer, such property may be claimed by the owner from the State
22 Treasurer free of charge.

23 (2) The unclaimed property records of the State
24 Treasurer, the unclaimed property reports of holders, and the
25 information derived by an unclaimed property examination or audit of

1 the records of a person or otherwise obtained by or communicated to
2 the State Treasurer may be withheld from the public. Any record or
3 information that may be withheld under the laws of this state or of
4 the United States when in the possession of such a person may be
5 withheld when revealed or delivered to the State Treasurer. Any
6 record or information that is withheld under any law of another state
7 when in the possession of that other state may be withheld when
8 revealed or delivered by the other state to the State Treasurer.

9 Information withheld from the general public concerning
10 any aspect of unclaimed property shall only be disclosed to an
11 apparent owner of the property or to the escheat, unclaimed, or
12 abandoned property administrators or officials of another state if
13 that other state accords substantially reciprocal privileges to the
14 State Treasurer.

15 (b)(1) On or after October 6, 1992, the State Treasurer
16 shall periodically transfer any balance in excess of an amount not to
17 exceed five hundred thousand dollars from the separate trust fund to
18 the General Fund no less frequently than on or before November 1 and
19 May 1 of each year, except that the total amount of all such
20 transfers shall not exceed five million dollars.

21 ~~(2)(i) On the next succeeding November 1 after five~~
22 ~~million dollars has been transferred to the General Fund in the~~
23 ~~manner described in subdivision (b)(1) of this section or (ii) on~~
24 ~~November 1, 1996, whichever occurs first, and on (2) On or before~~
25 November 1 of each year, thereafter, the State Treasurer shall

1 transfer any balance in excess of an amount not to exceed five
2 hundred thousand dollars from the separate trust fund to the
3 permanent school fund.

4 ~~(3) On July 15, 2003, the State Treasurer shall transfer~~
5 ~~two hundred thousand dollars from the separate trust fund to the~~
6 ~~General Fund and one hundred thousand dollars from the separate trust~~
7 ~~fund to the Treasury Management Cash Fund. On September 15, 2004, the~~
8 ~~State Treasurer shall transfer five hundred thousand dollars from the~~
9 ~~separate trust fund to the General Fund.~~

10 (c) Before making any deposit to the credit of the
11 permanent school fund or the General Fund, the State Treasurer may
12 deduct (1) any costs in connection with sale of abandoned property,
13 (2) any costs of mailing and publication in connection with any
14 abandoned property, and (3) reasonable service charges and place such
15 funds in the Unclaimed Property Cash Fund which is hereby created.
16 Transfers from the fund to the General Fund may be made at the
17 direction of the Legislature. Any money in the Unclaimed Property
18 Cash Fund available for investment shall be invested by the state
19 investment officer pursuant to the Nebraska Capital Expansion Act and
20 the Nebraska State Funds Investment Act.

21 Sec. 2. Original section 69-1317, Reissue Revised
22 Statutes of Nebraska, is repealed.