

One Hundred Seventh Legislature - First Session - 2021

Introducer's Statement of Intent

LB532

Chairperson: Senator Matt Williams

Committee: Banking, Commerce and Insurance

Date of Hearing: February 01, 2021

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 532 is a clean-up bill for the Unclaimed Property Division of the State Treasurer's Office. The bill is meant to update and harmonize Nebraska statutes. LB 532 makes the following changes:

Renames the Unclaimed Property Trust Fund – the word escheat is used in statute in reference to the Unclaimed Property Trust Fund. Escheat means “reversion of property to the state” Unclaimed Property is not a true escheat. The State Treasurer is the custodian of the funds held as unclaimed property, but the assets are still available for claim by the owners.

Allows the Treasurer's Office some discretion in which items to maintain in a safe deposit box. Items with no commercial value may be destroyed by the Treasurer's Office.

The bill removes the aggregate reporting limit. Holders reporting unclaimed property may remit smaller items as one lump sum with no breakdown of the proper ownership. Companies would be required to include name, address and amount for all items reported. This change will make it easier to return more funds to their rightful owners.

Allows for the deferral of reporting of amounts under \$50. A company would hold on to the funds until the first year they have at least \$50 to report.

The bill adds authorization for the Treasurer to donate unclaimed property to a nonprofit organization when a claimant elects that option.

Changes the reporting requirement of landlords from remittance after 60 days to remittance to the Treasurer's Office once annually after a security deposit refund remains outstanding for one year.

Principal Introducer: _____

Senator John Lowe