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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

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DIGEST

SB 18 Engrossed

2020 First Extraordinary Session

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Present law (R.S. 9:151 et seq.) establishes requirements and procedures for transfer to the state treasury of property that remains unclaimed for a certain period of time. Proposed law retains present law.

Proposed law creates the Unclaimed Property (UCP) Permanent Trust Fund to be used solely for the payment of claims made by owners and prohibits appropriation from the fund.

Proposed law requires the net amount of monies received pursuant to present law (Uniform Unclaimed Property Act, R.S. 9:151 et seq.) to be credited to the UCP Permanent Trust Fund. Further requires realized capital gains, dividend income, and interest income, earned on the investments in the fund, net of trust fund investment and administrative expenses, to be deposited into the state general fund.

Proposed law requires the state treasurer to annually report the fund balance and the state's potential liability for unclaimed property claims to the legislature and the governor. Further authorizes money to be deposited into the UCP Permanent Trust Fund until the balance in that fund equals the state's reported potential liability for all unclaimed property. Once this threshold is reached in the UCP Permanent Trust Fund, proposed law requires any additional money to be deposited into the state general fund.

Proposed law authorizes the state treasurer to invest up to 50% of the balance in the UCP Permanent Trust Fund in the same manner as authorized in present law (R.S. 17:3803) for the La. Education Quality Trust Fund. Further authorizes the treasurer to contract for the management of the investments and to pay expenses of the fund from investment earnings. Also authorizes payment of administrative expenses attributable to the custody, investment, and disbursement of fund monies from investment earnings.

Proposed law authorizes the treasurer to transfer money from the UCP Permanent Trust Fund if claims for unclaimed property exceed receipts. Requires the treasurer to certify the amount needed to pay claims received and immediately notify the legislature and the governor of the new fund balance once he has transferred the money.

Effective July 1, 2021, if the proposed amendment of Article VII, Section 28 of the Constitution of La. contained in the Act which originated as Senate Bill No. 12 of this 2020 1st Ex. Sess. of the Legislature is adopted at a statewide election and becomes effective.

(Adds R.S. 39:100.161)