

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 348** HLS 13RS 837  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action: **w/ SEN COMM AMD**  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 15, 2013 7:47 PM	<b>Author:</b> ARNOLD
<b>Dept./Agy.:</b> State Treasury	<b>Analyst:</b> Travis McIlwain
<b>Subject:</b> Unclaimed Property	

PROPERTY/UNCLAIMED EG1 DECREASE GF RV See Note Page 1 of 1  
 Provides relative to the Uniform Unclaimed Property Act

Proposed law provides that an action by the State Treasurer to enforce the provisions of the unclaimed property act shall not be maintained against a Federal Deposit Insurance Corporation (FDIC) insured institution for any violation that occurred more than 6 years prior to the most recently completed auditable period which ends June 30 of each year. Proposed law provides that an FDIC insured institution shall be required to maintain unclaimed property reports for 6 years prior to the end of the most recently completed auditable period, which is June 30th of each year. Proposed law provide that any funds remaining in all Crescent City Connection GeauxPass toll tag accounts shall be immediately reported and transferred to the state treasurer in his capacity as administrator of the Uniform Unclaimed Property Act.

<b>EXPENDITURES</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>REVENUES</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Agy. Self-Gen.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Ded./Other	SEE BELOW	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The State Treasury can handle returning GeauxPass Toll Tag Account proceeds with existing staff and resources.

**REVENUE EXPLANATION**

This legislation limits the auditable period for the State Treasury for FDIC insured institutions from 10 years to 3 years. According to the State Treasury, Louisiana's Unclaimed Property Law is based on the national Unclaimed Property Law. Twenty-three state require records be kept for 10 years. In addition, State Treasury reports that the state receives an average of \$10 million per year in self-reported unclaimed property from FDIC insured institutions, of which 10% of such receipts are from records older than 6 years. Without the authority to audit beyond the six-year period, the treasury will not be able to confirm amounts reported from older than six years ago. This could result in a loss of revenue collections.

Pursuant to R.S. 9:165, 93% of unclaimed property receipts are deposited into an Escrow Fund in the State Treasury (pays out unclaimed property claims) and the remaining 7% is available to the State Treasury for administrative costs of the program. At the end of the fiscal year, the remaining funds in the escrow account (less a minimal amount that is annually kept in the escrow account to pay claims) are transferred to the state general fund and is a revenue resource forecasted by the Revenue Estimating Conference (REC).

**Crescent City Connection GeauxPass Toll Tag Accounts**

This bill transfers to the State Treasury Unclaimed Property Program all funds remaining in the Crescent City Connection GeauxPass toll tag accounts. The State Treasurer will be responsible for returning all such proceeds to the rightful owner in the same fashion as all unclaimed property is disbursed by state treasury. The State Treasurer indicates such proceeds can be returned with existing staff and resources. The current amount in the Crescent City Connection Toll Fund is \$1,365,867, which includes cash payments as well as GeauxPass Account Toll Tags.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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