

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 591

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO UNCLAIMED PROPERTY; AMENDING SECTION 14-113, IDAHO CODE, TO RE-
2 VISE PROVISIONS RELATING TO UNCLAIMED MONEYS AND ABANDONED PROPERTY;
3 AMENDING SECTION 14-522, IDAHO CODE, TO PROVIDE A CORRECT CODE REFER-
4 ENCE; AMENDING SECTION 14-523, IDAHO CODE, TO REVISE PROVISIONS RELAT-
5 ING TO THE DISPOSITION OF MONEYS RECEIVED UNDER THE UNCLAIMED PROPERTY
6 LAW; AMENDING SECTION 15-3-914, IDAHO CODE, TO REVISE PROVISIONS RELAT-
7 ING TO THE DISPOSITION OF UNCLAIMED ASSETS AND TO MAKE A TECHNICAL COR-
8 RECTION; AND AMENDING SECTION 66-503, IDAHO CODE, TO REVISE PROVISIONS
9 RELATING TO CERTAIN DUTIES OF THE SUPERINTENDENT AND MANAGER AND TO MAKE
10 A TECHNICAL CORRECTION.
11

12 Be It Enacted by the Legislature of the State of Idaho:

13 SECTION 1. That Section 14-113, Idaho Code, be, and the same is hereby
14 amended to read as follows:

15 14-113. UNCLAIMED MONEYS -- PAYMENT INTO PUBLIC SCHOOL PERMANENT
16 ENDOWMENT FUND -- ESCHEAT. After a final settlement of the affairs of any
17 estate, if there be no heirs or other claimants thereof, the administrator
18 shall submit a report of abandoned property ~~required under section 14-517,~~
19 ~~Idaho Code,~~ and proceed to dispose of the property in a manner set forth
20 in the uniform unclaimed property act in chapter 5, title 14, Idaho Code,
21 provided that ~~in the event no person appears to claim such property within~~
22 ~~one thousand eight hundred twenty-seven (1,827) days, approximately five~~
23 ~~(5) years from the date the property should have been reported, the money~~
24 ~~or property so deposited shall accrue and be transferred identified by the~~
25 public administrator as section 14-113 abandoned property. The state trea-
26 surer shall distribute the moneys to the public school permanent endowment
27 fund created pursuant to section 4, article IX, of the constitution of the
28 state of Idaho upon expiration of the period for redemption of the property
29 pursuant to section 14-523, Idaho Code.

30 SECTION 2. That Section 14-522, Idaho Code, be, and the same is hereby
31 amended to read as follows:

32 14-522. PUBLIC SALE OF ABANDONED PROPERTY. (1) The administrator may,
33 within three (3) years after the receipt of abandoned property, sell it to
34 the highest bidder at public sale in whatever city affords, in the judgment
35 of the administrator, the most favorable market for the property involved.
36 The administrator may decline the highest bid and reoffer the property for
37 sale if in the judgment of the administrator, the bid is insufficient. If
38 in the judgment of the administrator, the probable cost of sale exceeds the
39 value of the property, it need not be offered for sale. Any sale held un-
40 der this section must be preceded by a single publication of notice, at least

1 three (3) weeks in advance of sale, in a newspaper of general circulation in
2 the county in which the property is to be sold.

3 (2) Securities listed on an established stock exchange must be sold at
4 prices prevailing at the time of sale on the exchange. Other securities may
5 be sold over the counter at prices prevailing at the time of sale or by any
6 other method the administrator considers advisable.

7 (3) A person making a claim under this chapter is entitled to receive
8 either the securities delivered to the administrator by the holder, if they
9 still remain in the hands of the administrator, or the proceeds received from
10 the sale, less any amounts deducted pursuant to section 14-523(34), Idaho
11 Code, but no person has any claim under this chapter against the state, the
12 holder, any transfer agent, registrar, or other person acting for or on be-
13 half of a holder for any appreciation in the value of the property occurring
14 after delivery by the holder to the administrator.

15 (4) The purchaser of property at any sale conducted by the administra-
16 tor pursuant to this chapter takes the property free of all claims of the
17 owner or previous holder thereof and of all persons claiming through or under
18 them. The administrator shall execute all documents necessary to complete
19 the transfer of ownership.

20 SECTION 3. That Section 14-523, Idaho Code, be, and the same is hereby
21 amended to read as follows:

22 14-523. DISPOSITION OF MONEY RECEIVED. (1) All money received under
23 this chapter, including the proceeds from the sale of property under section
24 14-522, Idaho Code, shall be deposited in the unclaimed property account.

25 (2) Moneys in the unclaimed property account are subject to redemption
26 by the owner as follows:

27 (a) All moneys designated by law for escheatment to the public school
28 permanent endowment fund created pursuant to section 4, article IX, of
29 the constitution of the state of Idaho may be redeemed by the owner, upon
30 satisfaction of the requirements for redemption established in rule by
31 the administrator, if claimed within a period of ten (10) years from the
32 date the property is subject to the custody of the state under this chap-
33 ter. Upon the conclusion of such redemption period, unredeemed moneys
34 shall escheat to the public school permanent endowment fund.

35 (b) Moneys submitted from unnamed owners may be designated as unre-
36 deemable after a period of ten (10) years upon satisfaction of the
37 requirements for designation as unredeemable established in rule by the
38 administrator.

39 (c) All other moneys in the unclaimed property account may be redeemed
40 by the owner upon satisfaction of the requirements for redemption es-
41 tablished in rule by the administrator.

42 (3) An amount equal to the funds received from unclaimed shares and
43 dividends of any corporation incorporated under the laws of the state of
44 Idaho shall be transferred from the unclaimed property account to the public
45 school permanent endowment fund created pursuant to section 4, article IX,
46 of the constitution of the state of Idaho. In the event that any funds are
47 required to refund any funds deposited in the public school permanent endow-
48 ment fund under this section or under section 14-113 or 15-3-914, Idaho Code,
49 the state treasurer shall offset the amount of such refund against future

1 ~~transfers to the public school permanent endowment fund. In the event that~~
 2 ~~in one (1) fiscal year there are insufficient amounts to effect the offset,~~
 3 ~~the balance shall be recaptured from the public school earnings reserve fund~~
 4 ~~established under section 33-902A, Idaho Code Moneys in the unclaimed prop-~~
 5 ~~erty account shall be distributed as follows:~~

6 (a) All moneys designated by law for distribution to the public school
 7 permanent endowment fund shall be transferred from the unclaimed prop-
 8 erty account to the public school permanent endowment fund upon the ex-
 9 piration of the period provided in this section for the owner to redeem
 10 such moneys.

11 (b) The state treasurer shall transfer all moneys designated as unre-
 12 deemable to the general fund at the end of each fiscal year.

13 ~~(34)~~ All other money in the unclaimed property account is hereby con-
 14 tinuously appropriated to the state treasurer, without regard to fiscal
 15 years, for expenditure in accordance with law in carrying out and enforcing
 16 the provisions of this chapter, including, but not limited to, the following
 17 purposes:

18 (a) For payment of claims allowed by the state treasurer under the pro-
 19 visions of this chapter.

20 (b) For refund, to the person making such deposit of amounts, including
 21 overpayments, deposited in error in such account.

22 (c) For payment of the cost of appraisals incurred by the state trea-
 23 surer covering property held in the name of the account.

24 (d) For payment of the cost incurred by the state treasurer for the pur-
 25 chase of lost instrument indemnity bonds, or for payment to the person
 26 entitled thereto, for any unpaid lawful charges or costs which arose
 27 from holding any specific property or any specific funds which were de-
 28 livered or paid to the state treasurer, or which arose from complying
 29 with this chapter with respect to such property or funds.

30 (e) For payment of amounts required to be paid by the state as trustee,
 31 bailee, or successor in interest to the preceding owner.

32 (f) For payment of costs of official advertising in connection with the
 33 sale of property held in the name of the account.

34 (g) For transfer to the general fund as provided in subsection (43) of
 35 this section.

36 (h) For transfer to the public school permanent endowment fund as pro-
 37 vided in subsection (3) of this section.

38 ~~(45)~~ At the end of each month fiscal year, or more often, if he or she
 39 deems it advisable, the state treasurer shall transfer all money in the
 40 unclaimed property account in excess of two hundred fifty thousand dollars
 41 (\$250,000) to the general fund. Within sixty (60) days of making this trans-
 42 fer or of receiving a report of unclaimed property, whichever is earlier,
 43 ~~he or she~~ the administrator shall record the name and last known address,
 44 if available, of each person ~~appearing from the holder's report to be enti-~~
 45 ~~tled to~~ identified as the apparent owner of the unclaimed property in the
 46 unclaimed property account or transferred to the general fund. The record
 47 shall be available for public inspection at all reasonable business hours
 48 review on the state treasurer's website.

49 ~~(5) All money received under this chapter, including the proceeds from~~
 50 ~~the sale of property under section 14-522, Idaho Code, deposited in the gen-~~

1 ~~eral fund shall be retained by the state of Idaho for the purposes of this~~
 2 ~~section and administered pursuant to this section for a period of ten (10)~~
 3 ~~years. At the end of such period, those moneys which have not been claimed~~
 4 ~~and paid over or delivered as an allowed claim under this section and section~~
 5 ~~14-524, Idaho Code, shall become due and payable by escheat to the state of~~
 6 ~~Idaho and become the property of the state of Idaho without further action on~~
 7 ~~the part of the administrator.~~

8 SECTION 4. That Section 15-3-914, Idaho Code, be, and the same is hereby
 9 amended to read as follows:

10 15-3-914. DISPOSITION OF UNCLAIMED ASSETS. If an heir, devisee or
 11 claimant cannot be found, the personal representative shall distribute the
 12 share of the missing person to his trustee if one has been appointed; or, if
 13 no trustee has been appointed, shall file the report of abandoned property
 14 required by section 14-517, Idaho Code, and ~~proceed to dispose of~~ deliver the
 15 property in the manner set forth in the "unclaimed property act," ~~provided,~~
 16 ~~however, that in the event no person appears to claim such property within~~
 17 ~~one thousand eight hundred twenty-seven (1,827) days, approximately five~~
 18 ~~(5) years, from the date of the appointment of the personal representative,~~
 19 ~~the moneys or property so deposited shall accrue and be transferred to the~~
 20 ~~public school permanent endowment fund created pursuant to section 4, arti-~~
 21 ~~cle IX, of the constitution of the state of~~ section 14-519, Idaho Code.

22 SECTION 5. That Section 66-503, Idaho Code, be, and the same is hereby
 23 amended to read as follows:

24 66-503. CUSTODY OF MONEY -- DUTY OF SUPERINTENDENT OR MANAGER. All
 25 moneys so held in trust shall be kept by the superintendent or manager, sub-
 26 ject to be returned to the person or persons from whom any part of such fund
 27 has been taken for deposit in trust, except any portion thereof applied to
 28 such patient's expenses while in said state hospital or the southwest Idaho
 29 treatment center or applied to the payment of the funeral expenses of said
 30 patient, upon his death, release or discharge from the said institution;
 31 ~~provided, however, that if any patient who dies or has been discharged or~~
 32 ~~escaped from any state hospital or the southwest Idaho treatment center does~~
 33 ~~not present, personally or through his legal guardian, heirs or assigns, a~~
 34 ~~claim against the said trust fund for repayment to him of money to his credit~~
 35 ~~in said trust fund for patients within five (5) years from the date of his~~
 36 ~~death, discharge or escape as certified to the state controller of the state~~
 37 ~~of Idaho by the officer in charge of said institutions, said then the su-~~
 38 ~~perintendent or manager shall pay over the money shall escheat to the state~~
 39 ~~of Idaho and shall be transferred to the general fund thereof by the state~~
 40 ~~controller and the superintendent in the manner set forth in section 14-519,~~
 41 ~~Idaho Code, provided however, that money held in trust for a deceased patient~~
 42 ~~shall be transferred pursuant to section 14-113, Idaho Code.~~