

HOUSE RESEARCH

Bill Summary

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Overview

This bill involves the unclaimed property program administered by the Department of Commerce. Property such as uncashed checks, dormant bank accounts, and utility deposits that are presumed abandoned after a period of time must be reported and turned over to the Department of Commerce. The department takes certain steps to notify the owner.

Section

- 1** **Owner's right extinguished on disbursement.** Amends an existing provision involving unclaimed property held by cooperatives to include a requirement that cooperatives attempt to notify the owner of abandoned property before donating it to a tax-exempt organization. The cooperative is permitted in this way to extinguish the rights of the owner, without being subject to the unclaimed property program administered by the commissioner of commerce.
- 2** **Owner's right extinguished on disbursement.** Makes the same changes made in section 1 to a similar section in chapter 308B. Section 1 deals with chapter 308A, which is the older chapter that governs cooperatives.
- 3** **Commissioner's duty.** Eliminates the requirement that the commissioner publish the names of owners of unclaimed property in newspapers and instead gives the commissioner discretion as to how best to provide public notice to the owners.
- 4** **Period of limitation.** Provides broader language than in current law to avoid the effect of certain time limits on the right of an owner of abandoned property to recover it. Provides that the commissioner may not enforce this section against a holder of unclaimed property if ten years have passed since the holder identified the property in a report to the

Section

- 5 commissioner or indicated that the property was subject to a dispute.
Repealer. Repeals provisions relating to unclaimed property held by cooperatives, newspaper advertising, mailed notices to owners, and an exemption involving traveler's checks and money orders.