

FEB 1 1996
JUDICIARY

HOUSE FILE 2135
BY CONNORS

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to unclaimed property held by the state, the
2 social security numbers of the owners of the property,
3 fraudulent practices to obtain the property, and establishing
4 a penalty.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2135

1 Section 1. Section 22.7, Code Supplement 1995, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 33. Social security numbers of the owners
4 of unclaimed property reported to the treasurer of state
5 pursuant to section 556.11, subsection 2, included on claim
6 forms filed with the treasurer of state pursuant to section
7 556.19, or stored in record systems maintained by the
8 treasurer of state for purposes of administering chapter 556.

9 Sec. 2. Section 25.2, Code Supplement 1995, is amended to
10 read as follows:

11 25.2 EXAMINATION OF REPORT -- APPROVAL OR REJECTION --
12 PAYMENT.

13 The state appeal board with the recommendation of the
14 special assistant attorney general for claims may approve or
15 reject claims against the state of less than ten years
16 covering the following: outdated warrants; outdated sales and
17 use tax refunds; license refunds; additional agricultural land
18 tax credits; outdated invoices; fuel and gas tax refunds;
19 outdated homestead and veterans' exemptions; outdated funeral
20 service claims; tractor fees; registration permits; outdated
21 bills for merchandise; services furnished to the state; claims
22 by any county or county official relating to the personal
23 property tax credit; and refunds of fees collected by the
24 state. Payments authorized by the state appeal board shall be
25 paid from the appropriation or fund of original certification
26 of the claim. However, if that appropriation or fund has
27 since reverted under section 8.33 then such payment authorized
28 by the state appeal board shall be out of any money in the
29 state treasury not otherwise appropriated. Notwithstanding
30 the provisions of this section, the director of revenue and
31 finance may reissue outdated warrants. On or before November
32 1 of each year, the director of revenue and finance shall
33 provide the treasurer of state with a report of all unpaid
34 warrants which have been outdated for two years or more. The
35 treasurer shall include information regarding outdated

1 warrants in the notice published pursuant to section 556.12.
2 ~~The provisions of section 556.11 regarding agreements to pay~~
3 ~~compensation for recovery or assistance in recovery of~~
4 ~~unclaimed property are applicable to agreements to pay~~
5 ~~compensation to recover or assist in the recovery of outdated~~
6 ~~warrants. An agreement to pay compensation to recover or~~
7 ~~assist in the recovery of an outdated warrant made within~~
8 ~~twenty-four months after the date the warrant becomes outdated~~
9 ~~is unenforceable. However, an agreement made after twenty-~~
10 ~~four months from the date the warrant becomes outdated is~~
11 ~~valid if the fee or compensation agreed upon is not more than~~
12 ~~fifteen percent of the recoverable property, the agreement is~~
13 ~~in writing and signed by the payee, and the writing discloses~~
14 ~~the nature and value of the property and the name and address~~
15 ~~of the person in possession. This section does not apply to a~~
16 ~~payee who has a bona fide fee contract with a practicing~~
17 ~~attorney regulated under chapter 602, article 10.~~

18 Sec. 3. Section 714.8, Code 1995, is amended by adding the
19 following new subsection:

20 NEW SUBSECTION. 16. Knowingly provides false information
21 to the treasurer of state when claiming, pursuant to section
22 556.19, an interest in unclaimed property held by the state,
23 or knowingly provides false information to a person or fails
24 to disclose the nature, value, and location of unclaimed
25 property prior to entering into a contract to receive
26 compensation to recover or assist in the recovery of property
27 reported as unclaimed pursuant to section 556.11.

28 EXPLANATION

29 Section 1 of this bill designates that social security
30 numbers, collected and included in record systems maintained
31 by the treasurer of state and the department of revenue and
32 finance in the course of administering claims for unclaimed
33 property and outdated warrants, shall be kept confidential
34 under the public records law. The department of revenue and
35 finance is directed by section 556.11 to administer claims for

1 unclaimed property and outdated warrants.

2 Section 2 relates to limitations placed upon contracts to
3 provide assistance in the recovery of outdated warrants held
4 by the department of revenue and finance. Warrants are
5 outstanding obligations such as income or sales tax refunds
6 issued by the state for property, which includes, but is not
7 limited to, money owed to a person by the state.
8 Specifically, section 2 provides that an agreement to pay
9 compensation to recover or assist in the recovery of an
10 outdated warrant made within 24 months after the date the
11 warrant becomes outdated is unenforceable. However, an
12 agreement made 24 months after the date the warrant becomes
13 outdated is valid if the fee or compensation agreed upon is
14 not more than 15 percent of the recoverable property, the
15 agreement is in writing and signed by the payee, and the
16 writing discloses the nature and value of the property and the
17 name and address of the person in possession. Section 2 does
18 not apply to a payee who has a bona fide fee contract with a
19 practicing attorney.

20 Section 3 expands the definition of acts constituting
21 fraudulent practices to include knowingly providing false
22 information for purposes of claiming an interest in unclaimed
23 property held by the state or securing a contract with another
24 for the recovery of unclaimed property.

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