

2/22/96 Do Pass
3/25/96 Referred to State Gov

WITHDRAWN

FEB 7 1996
STATE GOVERNMENT

HOUSE FILE 2174
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1 An Act relating to unclaimed property in the form of outdated
2 warrants held by the state, the social security numbers of the
3 owners of the property, fraudulent practices to obtain the
4 property, and establishing a penalty.

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

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HF 2174

WITHDRAWN

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7 556.19, included in outdated warrant reports received by the
8 treasurer of state pursuant to section 25.2, or stored in
9 record systems maintained by the treasurer of state for
10 purposes of administering chapter 556, or social security
11 numbers of payees included on state warrants included in
12 records systems maintained by the department of revenue and
13 finance for the purpose of documenting and tracking outdated
14 warrants pursuant to section 25.2.

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

17 25.2 EXAMINATION OF REPORT -- APPROVAL OR REJECTION --
18 PAYMENT.

19 The state appeal board with the recommendation of the
20 special assistant attorney general for claims may approve or
21 reject claims against the state of less than ten years
22 covering the following: outdated warrants; outdated sales and
23 use tax refunds; license refunds; additional agricultural land
24 tax credits; outdated invoices; fuel and gas tax refunds;
25 outdated homestead and veterans' exemptions; outdated funeral
26 service claims; tractor fees; registration permits; outdated
27 bills for merchandise; services furnished to the state; claims
28 by any county or county official relating to the personal
29 property tax credit; and refunds of fees collected by the
30 state. Payments authorized by the state appeal board shall be
31 paid from the appropriation or fund of original certification
32 of the claim. However, if that appropriation or fund has
33 since reverted under section 8.33 then such payment authorized
34 by the state appeal board shall be out of any money in the
35 state treasury not otherwise appropriated. Notwithstanding

1 the provisions of this section, the director of revenue and
2 finance may reissue outdated warrants. On or before November
3 1 of each year, the director of revenue and finance shall
4 provide the treasurer of state with a report of all unpaid
5 warrants which have been outdated for two years or more. The
6 treasurer shall include information regarding outdated
7 warrants in the notice published pursuant to section 556.12.
8 ~~The provisions of section 556.11 regarding agreements to pay~~
9 ~~compensation for recovery or assistance in recovery of~~
10 ~~unclaimed property are applicable to agreements to pay~~
11 ~~compensation to recover or assist in the recovery of outdated~~
12 ~~warrants.~~ An agreement to pay compensation to recover or
13 assist in the recovery of an outdated warrant made within
14 twenty-four months after the date the warrant becomes outdated
15 is unenforceable. However, an agreement made after twenty-
16 four months from the date the warrant becomes outdated is
17 valid if the fee or compensation agreed upon is not more than
18 fifteen percent of the recoverable property, the agreement is
19 in writing and signed by the payee, and the writing discloses
20 the nature and value of the property and the name and address
21 of the person in possession. This section does not apply to a
22 payee who has a bona fide fee contract with a practicing
23 attorney regulated under chapter 602, article 10.

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

26 NEW SUBSECTION. 16. Knowingly provides false information
27 to the treasurer of state when claiming, pursuant to section
28 556.19, an interest in unclaimed property held by the state,
29 or knowingly provides false information to a person or fails
30 to disclose the nature, value, and location of unclaimed
31 property prior to entering into a contract to receive
32 compensation to recover or assist in the recovery of property
33 reported as unclaimed pursuant to section 556.11.

34 EXPLANATION

35 Section 1 of this bill designates that social security

1 numbers, collected and included in record systems maintained
2 by the treasurer of state and the department of revenue and
3 finance in the course of administering claims for unclaimed
4 property and outdated warrants, shall be kept confidential
5 under the public records law. The department of revenue and
6 finance is directed by section 556.11 to administer claims for
7 unclaimed property and outdated warrants.

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

26 Section 3 expands the definition of acts constituting
27 fraudulent practices to include knowingly providing false
28 information for purposes of claiming an interest in unclaimed
29 property held by the state or securing a contract with another
30 for the recovery of unclaimed property.

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