

# House Study Bill 61

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED TREASURER OF  
STATE BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to the disposition of certain unclaimed property.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
3 TLSB 1236XD 82  
4 av/gg/14

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1 1 Section 1. Section 22.7, Code 2007, is amended by adding  
1 2 the following new subsection:  
1 3 NEW SUBSECTION. 58. The information provided in any  
1 4 report, record, claim, or other document submitted to the  
1 5 treasurer of state pursuant to chapter 556 concerning  
1 6 unclaimed or abandoned property, except the name and last  
1 7 known address of each person appearing to be entitled to  
1 8 unclaimed or abandoned property paid or delivered to the  
1 9 treasurer of state pursuant to that chapter.  
1 10 Sec. 2. Section 331.427, subsection 1, unnumbered  
1 11 paragraph 1, Code 2007, is amended to read as follows:  
1 12 Except as otherwise provided by state law, county revenues  
1 13 from taxes and other sources for general county services shall  
1 14 be credited to the general fund of the county, including  
1 15 revenues received under sections 9I.11, 101A.3, 101A.7,  
1 16 123.36, 123.143, 142B.6, 176A.8, 321.105, 321.152, 321G.7,  
1 17 321I.8, ~~section 331.554, subsection 6, sections 341A.20,~~  
1 18 364.3, 368.21, 423A.7, 428A.8, 430A.3, 433.15, 434.19, 445.57,  
1 19 453A.35, 458A.21, 483A.12, 533.24, 556B.1, 583.6, 602.8108,  
1 20 904.908, and 906.17, and the following:  
1 21 Sec. 3. Section 331.554, subsections 6 and 7, Code 2007,  
1 22 are amended to read as follows:  
1 23 6. The amount of a check, other than a warrant,  
1 24 outstanding for more than ~~one year~~ two years shall be  
1 25  canceled, ~~and~~ removed from the list of outstanding checks,  
1 26  ~~deposited to the account on which the check was written, and~~  
~~1 27 credited as unclaimed fees and trusts and is presumed~~  
~~1 28 abandoned pursuant to section 556.8. The treasurer shall~~  
~~1 29 maintain a list of the checks for one year after cancellation.~~  
1 30 A person may claim the amount of the canceled treasurer's  
1 31 check for a period of one year after cancellation upon proper  
~~1 32 proof of ownership by filing a claim with the county auditor~~  
1 33 treasurer of state as provided in chapter 556.  
1 34 7. A warrant ~~or other evidence of the county's~~  
~~1 35 indebtedness outstanding for more than ~~one year~~ two years~~  
~~2 1 shall be canceled by the auditor and the amount of the warrant~~  
~~2 2 shall be credited to the fund upon which the warrant was drawn~~  
2 3 is presumed abandoned pursuant to section 556.8. A person may  
2 4 file a claim with the auditor for the amount of the canceled  
2 5 warrant within one year of the date of the cancellation, and  
~~2 6 upon showing of proper proof that the claim is true and~~  
~~2 7 unpaid, the auditor shall issue a warrant drawn upon the fund~~  
~~2 8 from which the original canceled warrant was drawn or other~~  
2 9 evidence of the county's indebtedness by filing a claim with  
2 10 the treasurer of state as provided in chapter 556. This  
2 11 subsection does not apply to warrants issued upon drainage or  
2 12 levee district funds or any fund upon which the county  
2 13 treasurer has issued a warrant order or stamped a warrant for  
2 14 want of funds.  
2 15 8. An amount outstanding on a check, warrant, or other  
2 16 evidence of the county's indebtedness that is presumed  
2 17 abandoned as provided in subsection 6 or 7 shall be reported  
2 18 and remitted to the treasurer of state by the county treasurer  
2 19 on or before November 1 of the fiscal year ending on the  
2 20 preceding June 30 that the obligation is presumed abandoned.

2 21 Sec. 4. Section 556.8, Code 2007, is amended to read as  
2 22 follows:

2 23 556.8 PROPERTY HELD BY STATE COURTS AND PUBLIC OFFICERS  
2 24 AND AGENCIES == ABANDONMENT.

2 25 1. All intangible personal property held for the owner by  
2 26 any court, public corporation, public authority, agency,  
2 27 instrumentality, employee, or public officer of this state, or  
2 28 the United States, or a political subdivision of the state,  
2 29 another state, or the United States, that has remained  
2 30 unclaimed by the owner for more than two years after becoming  
2 31 payable or distributable is presumed abandoned.

2 32 2. Notwithstanding any other provision of state law, an  
2 33 amount outstanding on a check, warrant, or other evidence of  
2 34 indebtedness of a county that has remained unclaimed by the  
2 35 owner for more than two years from the date of issuance or  
3 1 after becoming due and payable as determined by the county  
3 2 treasurer pursuant to section 331.554, is presumed abandoned.

3 3 Sec. 5. Section 556.9, subsection 1, Code 2007, is amended  
3 4 to read as follows:

3 5 1. All intangible personal property, not otherwise covered  
3 6 by this chapter, including any income or increment earned on  
3 7 the property and deducting any lawful charges, that is held or  
3 8 owing in this state in the ordinary course of the holder's  
3 9 business and has remained unclaimed by the owner for more than  
3 10 three years after it became payable or distributable is  
3 11 presumed abandoned. However, unpaid wages, including wages  
3 12 represented by payroll checks or other compensation for  
3 13 personal services owing in the ordinary course of the holder's  
3 14 business that remain unclaimed by the owner for more than one  
3 15 year after becoming payable are presumed abandoned. A rental  
3 16 deposit, as defined in section 562A.6 or 562B.7, that has  
3 17 remained unclaimed by the owner for more than two years after  
3 18 becoming payable is presumed abandoned.

3 19 Sec. 6. Section 556.12, subsection 3, Code 2007, is  
3 20 amended to read as follows:

3 21 3. The treasurer of state is not required to publish in  
3 22 such notice any item of less than fifty one hundred dollars  
3 23 unless the treasurer deems the publication to be in the public  
3 24 interest.

3 25 Sec. 7. Section 556.12, subsection 4, Code 2007, is  
3 26 amended by striking the subsection and inserting in lieu  
3 27 thereof the following:

3 28 4. The treasurer of state may mail a notice to each person  
3 29 listed in a report filed by the holder of unclaimed property,  
3 30 at the last known address of that person if the treasurer  
3 31 deems such notice to be in the best interests of that person  
3 32 and has reason to believe that the address submitted by the  
3 33 holder is sufficient to ensure that delivery of such notice  
3 34 will likely occur.

3 35 Sec. 8. Section 556.13, subsection 1, Code 2007, is  
4 1 amended to read as follows:

4 2 1. Except for property held in a safe deposit box or other  
4 3 safekeeping depository, upon filing the report required by  
4 4 section 556.11, the holder of property presumed abandoned  
4 5 shall pay, deliver, or cause to be paid or delivered to the  
4 6 administrator the property described in the report as  
4 7 unclaimed, but if the property is an automatically renewable  
4 8 deposit, and a penalty or forfeiture in the payment of  
4 9 interest would result, the time for compliance is extended  
4 10 until a penalty or forfeiture would no longer result.  
4 11 ~~Tangible~~ At the direction of the treasurer of state, the  
4 12 holder of tangible property held in a safe deposit box or  
4 13 other safekeeping depository shall ~~not be delivered~~ deliver  
4 14 the property to the treasurer of state ~~until one hundred~~  
4 15 ~~twenty days at the same time as or after filing the~~ abandoned  
4 16 property report required in section 556.11.

4 17 Sec. 9. Section 556.20, Code 2007, is amended to read as  
4 18 follows:

4 19 556.20 DETERMINATION OF CLAIMS.

4 20 1. The ~~state~~ treasurer of state shall consider any claim  
4 21 filed under this chapter and may hold a hearing and receive  
4 22 evidence concerning ~~it~~ the claim. If a hearing is held, the  
4 23 treasurer shall prepare a finding and a decision in writing on  
4 24 each claim filed, stating the substance of any evidence heard  
4 25 by the treasurer and the reasons for the treasurer's decision.  
4 26 The decision shall be a public record.

4 27 2. If the claim is allowed, the ~~state~~ treasurer of state  
4 28 shall make payment forthwith. The claim shall be paid without  
4 29 deduction for costs of notices or sale or for service charges.  
4 30 The treasurer or an employee thereof shall not be held liable  
4 31 in any action for any claim paid in good faith pursuant to

4 32 this section. However, a claimant, attorney in fact, or  
4 33 attorney or any other person representing a claimant to whom  
4 34 such payment is made may be held liable to a person who proves  
4 35 a superior right to the payment.

5 1 3. As a condition precedent to payment of any claim filed  
5 2 under this chapter, the treasurer of state may require that  
5 3 the claimant or owner of the unclaimed or abandoned property  
5 4 furnish the treasurer with a surety bond containing terms and  
5 5 provisions acceptable to the treasurer and issued by a  
5 6 corporate surety authorized to do business in this state or  
5 7 with such other form of indemnification and protection that is  
5 8 determined by the treasurer to be acceptable and sufficient to  
5 9 protect the treasurer and the state against any loss,  
5 10 liability, or damage which may arise out of or result from the  
5 11 payment of the claim by the treasurer. The claimant or owner  
5 12 shall be responsible for all premiums, costs, fees, or other  
5 13 expenses associated with any such surety bond or other form of  
5 14 indemnification and protection required pursuant to this  
5 15 subsection.

5 16 Sec. 10. NEW SECTION. 556.24A PUBLIC RECORDS.

5 17 1. The treasurer of state shall maintain a public record  
5 18 of the name and last known address of each person appearing to  
5 19 be entitled to unclaimed or abandoned property paid or  
5 20 delivered to the treasurer pursuant to this chapter.

5 21 2. Notwithstanding any other provision of law, any other  
5 22 identifying information set forth in any report, record,  
5 23 claim, or other document submitted to the treasurer of state  
5 24 pursuant to this chapter concerning unclaimed or abandoned  
5 25 property is a confidential record as provided in section 22.7  
5 26 and shall be made available for public examination or copying  
5 27 only in the discretion of the treasurer.

5 28 Sec. 11. Section 562A.12, subsection 4, Code 2007, is  
5 29 amended to read as follows:

5 30 4. A landlord who fails to provide a written statement  
5 31 within thirty days of termination of the tenancy and receipt  
5 32 of the tenant's mailing address or delivery instructions shall  
5 33 forfeit all rights to withhold any portion of the rental  
5 34 deposit. If no mailing address or instructions are provided  
5 35 to the landlord within ~~one year~~ two years from the termination  
6 1 of the tenancy the rental deposit ~~shall revert to is deemed~~  
6 2 ~~abandoned under section 556.9 and the landlord and the tenant~~  
6 3 ~~will be deemed to have forfeited all rights to the rental~~  
6 4 ~~deposit shall deliver the rental deposit to the treasurer of~~  
6 5 ~~state for disposition as abandoned property pursuant to~~  
6 6 ~~sections 556.9 and 556.11.~~

6 7 Sec. 12. Section 562B.13, subsection 5, Code 2007, is  
6 8 amended to read as follows:

6 9 5. A landlord who fails to provide a written statement  
6 10 within thirty days of termination of the tenancy and receipt  
6 11 of the tenant's mailing address or delivery instructions shall  
6 12 forfeit all rights to withhold any portion of the rental  
6 13 deposit. If no mailing address or instructions are provided  
6 14 to the landlord within ~~one year~~ two years from the termination  
6 15 of the tenancy the rental deposit ~~shall revert to is deemed~~  
6 16 ~~abandoned under section 556.9 and the landlord and the tenant~~  
6 17 ~~will be deemed to have forfeited all rights to the rental~~  
6 18 ~~deposit shall deliver the rental deposit to the treasurer of~~  
6 19 ~~state for disposition as abandoned property pursuant to~~  
6 20 ~~sections 556.9 and 556.11.~~

6 21 EXPLANATION

6 22 This bill relates to the disposition of certain unclaimed  
6 23 property that is presumed abandoned by the treasurer of state.

6 24 Code section 331.427 is amended to correspond to changes in  
6 25 Code section 331.554 requiring the amounts of checks  
6 26 evidencing a county's indebtedness, that are presumed  
6 27 abandoned pursuant to Code chapter 556, to be remitted to the  
6 28 treasurer of state instead of being retained in the county's  
6 29 general fund.

6 30 Code section 331.554 is amended to provide that when a  
6 31 check, warrant, or other evidence of a county's indebtedness  
6 32 remains outstanding for more than two years, it shall be  
6 33 canceled and presumed abandoned pursuant to Code section  
6 34 556.8. A person may claim the property by filing a claim with  
6 35 the treasurer of state as provided in Code chapter 556. Code  
7 1 section 331.554 is also amended to require the county to  
7 2 report and remit the amount of such unclaimed property to the  
7 3 treasurer of state on or before November 1 of the fiscal year  
7 4 ending on the preceding June 30 that the obligation is  
7 5 presumed abandoned.

7 6 Code section 556.8 is amended to provide that an amount  
7 7 outstanding on a check, warrant, or other indebtedness of a

7 8 county that has remained unclaimed by the owner for more than  
7 9 two years from the date of issuance or after becoming due and  
7 10 payable, as determined by the county treasurer pursuant to  
7 11 Code section 331.554, is presumed abandoned.

7 12 Code section 556.9 is amended to provide that a rental  
7 13 deposit made to secure performance of a residential rental  
7 14 agreement or a mobile home space rental agreement that has  
7 15 remained unclaimed for more than two years after becoming  
7 16 payable is presumed abandoned.

7 17 Code section 556.12 is amended to provide that the  
7 18 treasurer of state is not required to publish a notice of  
7 19 abandoned property concerning any item with a value of less  
7 20 than \$100 instead of \$50.

7 21 Code section 556.12 is also amended to provide that the  
7 22 treasurer may mail a notice to each person listed in a report  
7 23 filed by a holder of unclaimed property at the last known  
7 24 address of that person if the treasurer deems such notice is  
7 25 in the best interests of that person and has reason to believe  
7 26 that the address submitted by the holder of the property is  
7 27 sufficient to ensure that delivery of such notice will likely  
7 28 occur.

7 29 Code section 556.13 is amended to require the holder of  
7 30 tangible property held in a safe deposit box or other  
7 31 safekeeping depository to deliver the property to the  
7 32 treasurer of state at the treasurer's direction at the same  
7 33 time as or after the holder files an abandoned property report  
7 34 required under Code section 556.11. Currently, such property  
7 35 shall not be delivered to the treasurer until 120 days after  
8 1 filing that report.

8 2 Code section 556.20 is amended to provide that the  
8 3 treasurer or an employee of the treasurer cannot be held  
8 4 liable in any action for any claim paid in good faith,  
8 5 although a claimant or other specified person representing a  
8 6 claimant to whom a claim is paid may be held liable to a  
8 7 person who proves a superior right to the payment.

8 8 Code section 556.20 is also amended to allow the treasurer,  
8 9 prior to payment of a claim filed under the chapter, to  
8 10 require a claimant or owner of unclaimed or abandoned property  
8 11 to furnish a surety bond or other form of indemnification and  
8 12 protection determined acceptable and sufficient by the  
8 13 treasurer to protect the treasurer and the state against any  
8 14 loss, liability, or damage which may arise out of or result  
8 15 from the payment of the claim by the treasurer. The claimant  
8 16 or owner is responsible for all costs associated with such a  
8 17 surety bond, indemnification, or other protection.

8 18 New Code section 556.24A requires the treasurer to maintain  
8 19 a public record of the name and last known address of each  
8 20 person appearing to be entitled to unclaimed or abandoned  
8 21 property paid or delivered to the treasurer pursuant to Code  
8 22 chapter 556. The bill also provides that any other  
8 23 identifying information set forth in any report, record,  
8 24 claim, or other document submitted to the treasurer of state  
8 25 concerning unclaimed or abandoned property is a confidential  
8 26 record as provided in Code section 22.7 and shall be made  
8 27 available for public examination or copying only in the  
8 28 discretion of the treasurer. Code section 22.7 is also  
8 29 amended to include such records as confidential records for  
8 30 the purposes of Code chapter 22.

8 31 Code sections 562A.12 and 562B.13 are amended to require  
8 32 the landlord of a residential rental property or a mobile home  
8 33 space to deliver an unclaimed rental deposit to the treasurer  
8 34 of state for disposition as abandoned property pursuant to  
8 35 Code sections 556.9 and 556.11 if no mailing address or  
9 1 instructions are provided to the landlord within two years  
9 2 instead of one year from the termination of the tenancy.

9 3 LSB 1236XD 82

9 4 av:rj/gg/14.1