

AMENDMENTS TO LB 424

1 1. Strike the original sections and insert the following
2 new sections:

3 "Section 1. The Treasury Management Cash Fund is
4 created. A pro rata share of the budget appropriated for the
5 treasury management functions of the State Treasurer shall be
6 charged to the income of each fund held in invested cash, and such
7 charges shall be transferred to the Treasury Management Cash Fund.
8 The allocation of charges may be made by any method determined to
9 be reasonably related to actual costs incurred by the State
10 Treasurer in carrying out the treasury management functions under
11 section 84-602. Approval of the agencies, boards, and commissions
12 administering these funds shall not be required.

13 It is the intent of this section to have funds held in
14 invested cash be charged a pro rata share of the treasury
15 management expense when this is not prohibited by statute or the
16 Constitution of Nebraska.

17 Transfers may be made from the Treasury Management Cash
18 Fund to the General Fund at the direction of the Legislature. Any
19 money in the Treasury Management Cash Fund available for investment
20 shall be invested by the state investment officer pursuant to the
21 Nebraska Capital Expansion Act and the Nebraska State Funds
22 Investment Act.

23 Sec. 2. All intangible personal property distributable
24 in the course of a demutualization or related reorganization of a

1 life insurance corporation that remains unclaimed is presumed
2 abandoned two years after the date of the distribution of the
3 property.

4 Sec. 3. Section 69-1310, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 69-1310. (a) Every person holding funds or other
7 property, tangible or intangible, presumed abandoned under the
8 Uniform Disposition of Unclaimed Property Act shall report to the
9 State Treasurer with respect to the property as hereinafter
10 provided.

11 (b) The report shall be verified and shall include:

12 (1) Except with respect to traveler's checks and money
13 orders, the name, if known, and last-known address, if any, of each
14 person appearing from the records of the holder to be the owner of
15 any property presumed abandoned under the act;

16 (2) In case of unclaimed funds of life insurance
17 corporations, the full name of the insured or annuitant and his or
18 her last-known address according to the life insurance
19 corporation's records;

20 (3) The nature and identifying number, if any, or
21 description of the property and the amount appearing from the
22 records to be due, except that items of less than twenty-five
23 dollars may be reported in the aggregate;

24 (4) The date when the property became payable,
25 demandable, or returnable, and the date of the last transaction
26 with the owner with respect to the property; and

27 (5) Other information which the State Treasurer may

1 prescribe by rule as necessary for the administration of the act.

2 (c) If the person holding property presumed abandoned is
3 a successor to other persons who previously held the property for
4 the owner, or if the holder has changed his or her name while
5 holding the property, he or she shall file with his or her report
6 all prior known names and addresses of each holder of the property.

7 (d) The report shall be filed before November 1 of each
8 year as of June 30 next preceding, but the report of life insurance
9 corporations shall be filed before May 1 of each year as of
10 December 31 next preceding. A one-time supplemental report shall
11 be filed by life insurance corporations with regard to property
12 subject to section 2 of this act before November 1, 2003, as of
13 December 31, 2002, as if section 2 of this act had been in effect
14 before January 1, 2003. The property must accompany the report
15 unless excused by the State Treasurer for good cause. The State
16 Treasurer may postpone the reporting date upon written request by
17 any person required to file a report.

18 (e) If the holder of property presumed abandoned under
19 the act knows the whereabouts of the owner and if the owner's claim
20 has not been barred by the statute of limitations, the holder
21 shall, before filing the annual report, communicate with the owner
22 and take necessary steps to prevent abandonment from being
23 presumed. The holder shall exercise due diligence to ascertain the
24 whereabouts of the owner.

25 (f) Verification, if made by a partnership, shall be
26 executed by a partner; if made by a limited liability company, by a
27 member; if made by an unincorporated association or private

1 corporation, by an officer; and if made by a public corporation, by
2 its chief fiscal officer.

3 Sec. 4. Section 69-1317, Revised Statutes Supplement,
4 2002, is amended to read:

5 69-1317. (a) (1) ~~All~~ Except as otherwise provided in this
6 subdivision, all funds received under the Uniform Disposition of
7 Unclaimed Property Act, including the proceeds from the sale of
8 abandoned property under section 69-1316, shall be deposited by the
9 State Treasurer in a separate trust fund from which he or she shall
10 make prompt payment of claims allowed pursuant to the act and
11 payment of any auditing expenses associated with the receipt of
12 abandoned property. All funds received under section 2 of this act
13 shall be deposited by the State Treasurer in a separate life
14 insurance corporation demutualization trust fund, which is hereby
15 created, from which he or she shall make prompt payment of claims
16 regarding such funds allowed pursuant to the act. Transfers from
17 the separate life insurance corporation demutualization trust fund
18 to the General Fund may be made at the direction of the
19 Legislature. Before making the deposit he or she shall record the
20 name and last-known address of each person appearing from the
21 holders' reports to be entitled to the abandoned property, the name
22 and last-known address of each insured person or annuitant, and
23 with respect to each policy or contract listed in the report of a
24 life insurance corporation, its number, the name of the
25 corporation, and the amount due. The record shall be available for
26 public inspection during business hours.

27 The record shall not be subject to public inspection or

1 available for copying, reproduction, or scrutiny by commercial or
2 professional locators of property presumed abandoned who charge any
3 service or finders' fee until twenty-four months after the names
4 from the holders' reports have been published or officially
5 disclosed.

6 A professional finders' fee shall be limited to ten
7 percent of the total amount of the property presumed abandoned. To
8 claim any such fee, the nature and location of the property must be
9 disclosed to the claimant by the finder.

10 (2) The unclaimed property records of the State
11 Treasurer, the unclaimed property reports of holders, and the
12 information derived by an unclaimed property examination or audit
13 of the records of a person or otherwise obtained by or communicated
14 to the State Treasurer may be withheld from the public. Any record
15 or information that may be withheld under the laws of this state or
16 of the United States when in the possession of such a person may be
17 withheld when revealed or delivered to the State Treasurer. Any
18 record or information that is withheld under any law of another
19 state when in the possession of that other state may be withheld
20 when revealed or delivered by the other state to the State
21 Treasurer.

22 Information withheld from the general public concerning
23 any aspect of unclaimed property shall only be disclosed to an
24 apparent owner of the property, or to the escheat, unclaimed, or
25 abandoned property administrators or officials of another state if
26 that other state accords substantially reciprocal privileges to the
27 State Treasurer.

1 (b) (1) On or after October 6, 1992, the State Treasurer
2 shall periodically transfer any balance in excess of an amount not
3 to exceed five hundred thousand dollars from the separate trust
4 fund to the General Fund no less frequently than on or before
5 November 1 and May 1 of each year, except that the total amount of
6 all such transfers shall not exceed five million dollars.

7 (2) (i) On the next succeeding November 1 after five
8 million dollars has been transferred to the General Fund in the
9 manner described in subdivision (b) (1) of this section or (ii) on
10 November 1, 1996, whichever occurs first, and on or before November
11 1 of each year thereafter, the State Treasurer shall transfer any
12 balance in excess of an amount not to exceed five hundred thousand
13 dollars from the separate trust fund to the permanent school fund.

14 (3) On July 15, 2003, the State Treasurer shall transfer
15 two hundred thousand dollars from the separate trust fund to the
16 General Fund. On September 15, 2004, the State Treasurer shall
17 transfer five hundred thousand dollars from the separate trust fund
18 to the General Fund.

19 (c) Before making any deposit to the credit of the
20 permanent school fund or the General Fund, the State Treasurer may
21 deduct (1) any costs in connection with sale of abandoned property,
22 (2) any costs of mailing and publication in connection with any
23 abandoned property, and (3) reasonable service charges and place
24 such funds in the Unclaimed Property Cash Fund which is hereby
25 created. Transfers from the fund to the General Fund may be made
26 at the direction of the Legislature. Any money in the Unclaimed
27 Property Cash Fund available for investment shall be invested by

1 the state investment officer pursuant to the Nebraska Capital
2 Expansion Act and the Nebraska State Funds Investment Act.

3 Sec. 5. Section 69-1329, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 69-1329. Sections 69-1301 to 69-1329 and section 2 of
6 this act may be cited as the Uniform Disposition of Unclaimed
7 Property Act.

8 Sec. 6. Section 81-1120, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 81-1120. (1) There is hereby created the Materiel
11 Division Revolving Fund. The fund shall be administered by the
12 materiel division of the Department of Administrative Services.
13 The fund shall consist of (a) fees paid for printing, copying,
14 central supply, and mailing services provided to state agencies and
15 local subdivisions by the division and (b) assessments charged by
16 the materiel administrator to state agencies, boards, and
17 commissions for purchasing services provided by the division. Such
18 assessments shall be adequate to cover actual and necessary
19 expenses associated with providing the service. The fund shall be
20 used to pay for expenses incurred by the division to provide such
21 services.

22 (2) State agencies, boards, and commissions shall make
23 the materiel division assessment payments to the fund no later than
24 August 1 of each year, or in four equal payments to be made no
25 later than August 1, October 1, February 1, and April 1 of each
26 year, at the discretion of the materiel administrator.

27 (3) Any money in the fund available for investment shall

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1 be invested by the state investment officer pursuant to the
2 Nebraska Capital Expansion Act and the Nebraska State Funds
3 Investment Act.

4 Sec. 7. This act becomes operative on July 1, 2003.

5 Sec. 8. Original sections 69-1310, 69-1329, and 81-1120,
6 Reissue Revised Statutes of Nebraska, and section 69-1317, Revised
7 Statutes Supplement, 2002, are repealed.

8 Sec. 9. Since an emergency exists, this act takes effect
9 when passed and approved according to law.".