

Assembly Bill No. 55–Committee on Judiciary

CHAPTER.....

AN ACT relating to unclaimed property; revising provisions of the Uniform Unclaimed Property Act; authorizing the Administrator of Unclaimed Property to adopt regulations relating to certain agreements between an owner of property and another person concerning property paid or delivered to the Administrator; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law enacts the Uniform Unclaimed Property Act, which generally establishes the powers, duties and liabilities of the State and other persons concerning unclaimed property. (Chapter 120A of NRS) Existing law makes the State Treasurer the Administrator of Unclaimed Property and requires the State Treasurer, in his or her capacity as the Administrator, to carry out the provisions of the Act. (NRS 120A.025, 120A.140)

Existing law makes certain gift certificates subject to the provisions of the Act and provides that a gift certificate is presumed abandoned on the expiration date of the gift certificate. (NRS 120A.113, 120A.520) **Section 2** of this bill defines the term “gift certificate” for purposes of the Act. **Section 4** of this bill makes a conforming change indicating the proper placement of **section 2** in the Nevada Revised Statutes.

For consistency with the Act, **section 6** of this bill replaces the term “financial institution” with the term “financial organization.”

Existing law governs when certain forms of property are presumed abandoned. (NRS 120A.500, 120A.520) **Section 7** of this bill makes various changes relating to the dates on which certain property that is unclaimed by the apparent owner is presumed abandoned. **Section 7** also provides that the signing of a return receipt constitutes an indication of an owner’s interest in property for purposes of determining the date on which certain property is presumed abandoned. **Section 8** of this bill provides that a gift certificate that is no longer honored by the issuer is presumed abandoned on the date on which the gift certificate ceases to be honored by the issuer.

Among other duties, existing law requires a holder of property presumed to be abandoned to: (1) make a report to the Administrator concerning the property; and (2) send written notice to the apparent owner of the property under certain circumstances. (NRS 120A.560) **Section 9** of this bill revises provisions relating to the report filed with the Administrator. **Section 9** also requires the holder of property to send the required written notice by certified mail in certain circumstances. **Section 14** of this bill makes a conforming change updating references to **section 9**.

Existing law requires the Administrator to publish certain notice concerning unclaimed or abandoned property in a newspaper of general circulation. Among other requirements, existing law requires such notice to include the name of a person reported to the Administrator as an apparent owner. (NRS 120A.580) **Section 10** of this bill requires the Administrator to create and maintain a statewide database that is searchable electronically and includes the name of a person reported to the Administrator as an apparent owner of unclaimed property. **Section 10** also requires the Administrator to: (1) make the database publicly available on the website of the Administrator; (2) publish general information regarding the Act



on the website of the Administrator; and (3) annually publish certain information concerning unclaimed property.

Existing law requires the Administrator to sell certain abandoned property at a public sale after providing certain notice of the sale to the public. (NRS 120A.610) **Section 11** of this bill revises the manner in which the Administrator is required to provide such notice. **Section 15** of this bill makes a conforming change updating references to **section 11**.

Existing law authorizes a holder of property, with the written consent of the Administrator, to report and deliver property to the Administrator before the property is presumed abandoned. (NRS 120A.660) **Section 12** of this bill removes the requirement that the Administrator must provide written consent before the delivery of such property if the Administrator determines that receipt of the property is in the best interests of the State.

Existing law authorizes the Administrator to enter into an intrastate agreement with an agency from this State to protect certain confidential information shared for the purpose of facilitating the return of property pursuant to the Act. (NRS 120A.715) **Section 13** of this bill instead: (1) authorizes the Administrator to request a state or local agency to provide him or her with certain confidential information for the purpose of facilitating the return of unclaimed or abandoned property; and (2) requires an agency to provide the information requested unless the provision of such information is prohibited by federal law.

Existing law prescribes requirements and restrictions relating to an agreement between an owner of property and another person, the primary purpose of which is to locate, deliver, recover or assist in the recovery of property of the owner that is presumed abandoned. (NRS 120A.740) **Section 14.5** of this bill authorizes the Administrator to adopt such regulations as are necessary to protect the interests of an owner who enters into such an agreement. **Section 14.5** provides that such regulations may provide for the licensure or registration of a person with whom an owner enters into an agreement.

Section 16 of this bill eliminates a provision requiring that the Act must be applied and construed to effectuate its general purpose to make the law uniform among the states that enact the Act. (NRS 120A.750)

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 120A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. *“Gift certificate” has the meaning ascribed to it in NRS 598.0921.*

Sec. 3. (Deleted by amendment.)

Sec. 4. NRS 120A.020 is hereby amended to read as follows:

120A.020 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 120A.025 to 120A.122, inclusive, *and section 2 of this act* have the meanings ascribed to them in those sections.

Sec. 5. (Deleted by amendment.)



Sec. 6. NRS 120A.125 is hereby amended to read as follows:
120A.125 The provisions of this chapter do not apply to tangible property held in a safe-deposit box or other safekeeping depository which is not maintained by:

1. A bank or other financial ~~[institution;]~~ *organization*; or
2. A safe-deposit company.

Sec. 7. NRS 120A.500 is hereby amended to read as follows:
120A.500 1. Except as otherwise provided in subsections 6 , 7 and ~~[7,]~~ *8*, property is presumed abandoned if it is unclaimed by the apparent owner during the time set forth below for the particular property:

(a) A traveler's check, 15 years after issuance;

(b) A money order, 7 years after issuance;

(c) Any stock or other equity interest in a business association or financial organization, including a security entitlement under NRS 104.8101 to 104.8511, inclusive, 3 years after the ~~[earlier of the]~~ date of the ~~[most recent dividend, stock split or other distribution unclaimed]~~ *last indication* by the ~~[apparent]~~ owner ~~[-, or the date of the second mailing of a statement] of [account or other notification or communication that was returned as undeliverable or after]~~ *interest in* the ~~[holder discontinued mailings, notifications or communications to the apparent owner;]~~ *property*;

(d) Any debt of a business association or financial organization, other than a bearer bond or an original issue discount bond, 3 years after the date of the most recent interest payment unclaimed by the apparent owner;

(e) A demand ~~[,]~~ *or* savings ~~[or]~~ *deposit, 3 years after the date of the last indication by the owner of interest in the property;*

(f) *Time deposits, 3 years after:*

(1) *The date of maturity for time [deposit, including a deposit that is automatically renewable, 3 years after the earlier of maturity or the date of the last indication by the owner of interest in the property, but a deposit that is automatically renewable is deemed matured for purposes of this section upon its initial] deposits that are not automatically renewable; or*

(2) *The date of maturity, after the first renewal of the time deposit, for time deposits that are automatically renewable, unless the owner has consented to a subsequent renewal at or about the time of [the] any such subsequent renewal and the consent is in writing or is evidenced by a memorandum or other record on file with the holder;*



~~[(g)]~~ (g) Except as otherwise provided in NRS 120A.520, any money or credits owed to a customer as a result of a retail business transaction, 3 years after the obligation accrued;

~~[(g)]~~ (h) Any amount owed by an ~~insurer~~ *insurance company* on a life or endowment insurance policy or an annuity ~~[that has matured or terminated,]~~ *contract, including, without limitation, any amount in a retained asset account,* 3 years after the ~~[obligation to pay arose under the terms of the policy or contract or, if a policy or contract for which payment is owed on proof of death has not matured by proof of death of the insured or annuitant:~~

~~— (1) With respect to an amount owed for a life or endowment insurance policy, 3 years after the earlier] earliest of [the date:~~

~~(1) :~~

(1) The ~~insurance company has knowledge of the] date of the death of the insured [;]~~ or *annuitant;*

~~[(H)]~~ (2) *The maturity date of the insurance policy or annuity contract; or*

(3) The *date that the* insured ~~[has attained, or]~~ would have attained , if living, the limiting age under the mortality table on which the reserve is based; ~~and~~

~~— (2) With respect to an amount owed on an annuity contract, 3 years after the date the insurance company has knowledge of the death of the annuitant;~~

~~[(h)]~~ (i) *Any amount owed by an insurance company on a policy or contract not described in paragraph (h), 3 years after the obligation to pay arose under the terms of the policy or contract;*

(j) Any property distributable by a business association or financial organization in a course of dissolution, 1 year after the property becomes distributable;

~~[(i)]~~ (k) Any property received by a court as proceeds of a class action and not distributed pursuant to the judgment, 1 year after the distribution date;

~~[(j)]~~ (l) Except as otherwise provided in NRS 607.170 and 703.375, any property held by a court, government, governmental subdivision, agency or instrumentality, 1 year after the property becomes distributable;

~~[(k)]~~ (m) Any wages or other compensation for personal services, 1 year after the compensation becomes payable;

~~[(l)]~~ (n) A deposit or refund owed to a subscriber by a utility, 1 year after the deposit or refund becomes payable;

~~[(m)]~~ (o) Any property in an individual retirement account, defined benefit plan or other account or plan ~~[, that is qualified for~~



~~tax deferral under the income tax laws of the United States,]~~
~~established for retirement purposes, 3 years after :~~

~~(1) If the account or plan is tax-deferred or tax-exempt, the~~
~~[later of:~~

~~— (1) The] date [determined as follows:~~

~~— (I) Except as otherwise provided in sub-subparagraph (II),~~
~~the date a second consecutive communication sent by the holder by~~
~~first class United States mail to the apparent] *that the* owner [is~~
~~returned to the holder undelivered by the United States Postal~~
~~Service; or~~

~~— (II) If the second communication is sent later than 30 days~~
~~after the date the first communication is returned undelivered, the~~
~~date the first communication was returned undelivered by the United~~
~~States Postal Service;] *would have reached the age of required*~~
~~*minimum distribution pursuant to the Internal Revenue Code; or*~~

~~(2) [The earlier of the following dates:~~

~~— (I) The] *If the account or plan is not tax-deferred or tax-*~~
~~*exempt, the* date [the apparent owner becomes 70.5 years of age, if~~
~~determinable by the holder; or~~

~~— (II) If the Internal Revenue Code requires distribution to~~
~~avoid a tax penalty, 2 years after the date the holder receives, in the~~
~~ordinary course of business, confirmation of the death of the~~
~~apparent owner;~~

~~— (n)] *that the property becomes distributable;*~~

~~(p) The trust liability of a trust fund established with respect to a~~
~~prepaid contract for funeral services or burial services as required by~~
~~chapter 689 of NRS, 3 years after the [earlier] *earliest* of:~~

~~(1) The date *the holder has knowledge* of the death of the~~
~~beneficiary [;] *named in or otherwise ascertainable from the*~~
~~*prepaid contract; or*~~

~~(2) [If the holder does not know whether the beneficiary is~~
~~deceased, the] *The* date the beneficiary *named in or otherwise*~~
~~*ascertainable from the prepaid contract* has attained, or would have~~
~~attained if living, the age of 105 years; and~~

~~[(o)] (q) All other property, 3 years after the owner's right to~~
~~demand the property or after the obligation to pay or distribute the~~
~~property arises, whichever first occurs.~~

2. At the time that an interest is presumed abandoned under
subsection 1, any other property right accrued or accruing to the
owner as a result of the interest, and not previously presumed
abandoned, is also presumed abandoned.

3. Property is unclaimed if, for the applicable period set forth
in subsection 1, 7 or ~~[7,] 8~~, as applicable, the apparent owner has



not communicated, in writing or by other means reflected in a contemporaneous record prepared by ~~for on behalf of~~ the holder ~~;~~ *or an agent of the holder* with the holder concerning the property or the account in which the property is held and has not otherwise indicated an interest in the property. A communication with an owner by a person other than the holder or ~~its representative~~ *an agent of the holder* who has not in writing identified the property to the owner is not an indication of interest in the property by the owner.

4. An indication of an owner's interest in property : ~~includes;~~

(a) *Includes:*

(1) The presentment of a check or other instrument of payment of a dividend or other distribution made with respect to an account or underlying stock or other interest in a business association or financial organization or, in the case of a distribution made by electronic or similar means, evidence that the distribution has been received;

~~[(b)]~~ (2) Activity directed by an apparent owner in the account in which the property is held, including accessing the account or information concerning the account or a direction by the apparent owner to increase, decrease or change the amount or type of property held in the account;

~~[(e)-The]~~

(3) *Except as otherwise provided in paragraph (b), the making of a deposit to or withdrawal from a bank account;* ~~and~~

~~—(d)]~~ (4) The payment of a premium with respect to a property interest in an insurance policy, but the application of an automatic premium loan provision or other nonforfeiture provision contained in an insurance policy does not prevent a policy from maturing or terminating if the insured has died or the insured or the beneficiary of the policy has otherwise become entitled to the proceeds before the depletion of the cash surrender value of a policy by the application of those provisions ~~];~~

(5) *The signing of a return receipt by the apparent owner for notice provided pursuant to NRS 120A.560; and*

(6) *The execution of a Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting, Form W-8BEN of the Internal Revenue Service, by the owner for purposes of a security where the last-known address of the owner is in a foreign country; and*

(b) *Does not include the making of an automatically renewable:*



(1) Deposit, if the deposit is made by the holder or an agent of the holder; or

(2) Withdrawal, if the withdrawal is made by the holder or an agent of the holder.

↳ For the purposes of this subsection, an action by an agent or other representative of the apparent owner, other than the holder *or an agent of the holder* acting as the agent of the apparent owner, is presumed to be an action on behalf of the apparent owner.

5. Property is payable or distributable for purposes of this chapter notwithstanding the owner's failure to make demand or present an instrument or document otherwise required to obtain payment.

6. The following property clearly designated as such must not be presumed abandoned because of inactivity or failure to make a demand:

- (a) An account or asset managed through a guardianship;
- (b) An account blocked at the direction of a court;
- (c) A trust account established to address a special need;
- (d) A qualified income trust account;
- (e) A trust account established for tuition purposes; and
- (f) A trust account established on behalf of a client.

7. For property described in ~~paragraphs (e) to (f), inclusive, and (o) of subsection 1, the 3-year period described in each of those paragraphs must be reduced to a 2-year period if the holder of the property reported more than \$10 million in property presumed abandoned on the holder's most recent report of abandoned property made pursuant to NRS 120A.560.] paragraph (p) of subsection 1, if the holder does not have knowledge of the death of the beneficiary named in or otherwise ascertainable from the prepaid contract for funeral services or burial services and the holder does not know the date of birth of the beneficiary, the property described in that paragraph is presumed abandoned:~~

(a) Forty years after the date the prepaid contract for funeral services or burial services was executed; or

(b) Three years after the last indication by the owner of interest in the property,

↳ *whichever is later.*

8. *For property described in paragraphs (c) to (f), inclusive, (o) and (q) of subsection 1, the property is presumed abandoned 3 years after the date described in each of those paragraphs or the date on which the holder has knowledge of the death of the owner, whichever is earlier.*



9. *The provisions of paragraph (h) of subsection 1 apply to a life or endowment insurance policy or an annuity contract, regardless of whether the policy or contract is matured, unmatured, or terminated.*

10. *For purposes of this section, a person has knowledge of the death of a person when the person:*

(a) *Receives proof of death of the person;*

(b) *Reasonably determines the death of a person pursuant to NRS 688D.090; or*

(c) *Otherwise validates, in good faith, the death of the person.*

11. *As used in this section:*

(a) *“Proof of death” has the meaning ascribed to it in NRS 672.210.*

(b) *“Retained asset account” has the meaning ascribed to it in NRS 688D.060.*

Sec. 8. NRS 120A.520 is hereby amended to read as follows:

120A.520 1. Sixty percent of the unredeemed or uncharged value remaining on a gift certificate which is issued or sold in this State ~~[and which has an expiration date]~~ is presumed abandoned and subject to the provisions of this chapter on the ~~[expiration]~~ :

(a) *Expiration date ~~[.]~~; or*

(b) *Date on which the certificate is no longer honored by the issuer or seller.*

2. ~~[If a gift certificate is issued or sold in this State and the seller or issuer does not obtain and maintain in his or her records the name and address of the owner of the gift certificate, the address of the owner of the gift certificate shall be deemed to be the address of the Office of the State Treasurer in Carson City.~~

~~—3.]~~ This section does not create a cause of action against a person who issues or sells a gift certificate.

~~[4.— As used in this section, “gift certificate” has the meaning ascribed to it in NRS 598.0921.]~~

Sec. 9. NRS 120A.560 is hereby amended to read as follows:

120A.560 1. A holder of property presumed abandoned shall make a report to the Administrator concerning the property.

2. A holder may contract with a third party, including, without limitation, a transfer agent, to make the report required by subsection 1.

3. Whether or not a holder contracts with a third party pursuant to subsection 2, the holder is responsible:

(a) To the Administrator for the complete, accurate and timely reporting of property presumed abandoned;



(b) For paying or delivering to the Administrator the property described in the report; and

(c) For any penalties, interest and fees due pursuant to NRS 120A.730.

4. The report must contain:

(a) A description of the property;

(b) ~~Except with respect to a traveler's check or money order,~~ **If known or readily ascertainable by the holder,** the name, ~~if known, and~~ last known address ~~if any,~~ and the social security number or taxpayer identification number ~~if readily ascertainable,~~ of the apparent owner of property;

(c) In the case of an amount held or owing under an annuity or a life or endowment insurance policy, the full name and last known address of the annuitant or insured and of the beneficiary;

(d) In the case of property held in a safe-deposit box or other safekeeping depository, an indication of the location of the property and where it may be inspected by the Administrator and any amounts owing to the holder;

(e) The date identified in subsection 1 **or 8** of NRS 120A.500 from which the length of time required in subsection 1, 7 or ~~7~~ **8** of NRS 120A.500 must be measured to determine whether the property is presumed abandoned pursuant to NRS 120A.500 or, if the property is a gift certificate, the date identified in subsection 1 of NRS 120A.520, as applicable; and

(f) Other information that the Administrator by regulation prescribes as necessary for the administration of this chapter.

5. **If the information described in paragraph (b) of subsection 4 is:**

(a) Partially recorded, the recorded portion must be contained in the report; or

(b) Not recorded in part or in full, the information contained in the report must be reported as unknown.

6. **If** a holder of property presumed abandoned is a successor to another person who previously held the property for the apparent owner or the holder has changed its name while holding the property, the holder shall file with the report its former names, if any, and the known names and addresses of all previous holders of the property.

~~6.~~ **7.** Except as otherwise provided in subsection ~~7.~~ **8,** the report must be filed before November 1 of each year and cover the 12 months next preceding July 1 of that year.



~~[7.]~~ 8. A report with respect to an insurance company must be filed before May 1 of each year for the immediately preceding calendar year.

~~[8.—The]~~

9. *Except as otherwise provided in subsection 10, the* holder of property presumed abandoned shall send written notice to the apparent owner, not more than 120 days or less than 60 days before filing the report, stating that the holder is in possession of property subject to this chapter if:

(a) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be invalid and is sufficient to direct delivery of first-class United States mail to the apparent owner; and

(b) The value of the property is \$50 or more.

~~[→]~~

10. *If the property presumed abandoned is in the form of stocks, equity, retirement accounts or virtual currency and the property is valued at \$1,000 or more, the holder of the property shall send the written notice required by subsection 9 in the form of certified mail.*

11. If a holder is required to send written notice to the apparent owner pursuant to ~~[this]~~ subsection 9 and the apparent owner has consented to receive delivery from the holder by electronic mail, as defined in NRS 41.715, the holder shall send the notice by first-class United States mail *or certified mail, as applicable*, to the apparent owner's last known mailing address, as described in paragraph (a) ~~[]~~ *of subsection 9* and by electronic mail, unless the holder believes the apparent owner's electronic mail address is invalid.

~~[9.]~~ 12. Before the date for filing the report, the holder of property presumed abandoned may request the Administrator to extend the time for filing the report. The Administrator may grant the extension for good cause. The holder, upon receipt of the extension, may make an interim payment on the amount the holder estimates will ultimately be due, which terminates the accrual of additional interest on the amount paid.

~~[10.]~~ 13. The holder of property presumed abandoned shall file with the report an affidavit stating that the holder has complied with subsection ~~[8.]~~ 9.

~~[11.]~~ 14. Except as otherwise provided in subsection ~~[12.]~~ 15, the holder of property presumed abandoned shall, through a business portal established by the Administrator, electronically file the report and make the payment of the total amount due.



~~[12.] 15.~~ The Administrator may waive the requirement to file the report and make the payment electronically for good cause shown by the holder. The holder must request the waiver on or before the deadline established by the Administrator.

Sec. 10. NRS 120A.580 is hereby amended to read as follows:

120A.580 1. The Administrator shall ~~publish a notice not later than November 30 of the year next following the year in which abandoned property has been paid or delivered to the Administrator. The notice must:~~

~~— (a) In a county whose population is 700,000 or more:~~

~~— (1) Be published not less than six times per year, or more frequently as necessary to comply with the provisions of subparagraph (3), in a newspaper of general circulation in the county with a circulation of more than 15,000;~~

~~— (2) Include instructions] create and maintain a statewide database concerning unclaimed property. The database must be searchable electronically and include, without limitation, the name of each person reported to the Administrator pursuant to NRS 120A.560 as an apparent owner of property presumed abandoned.~~

2. The Administrator shall make the database publicly available on the website of the Administrator.

3. The Administrator shall publish general information concerning the provisions of this chapter on the website of the Administrator. The information must be updated quarterly and include, without limitation:

(a) Instructions on how to search and access information relating to unclaimed property; and

~~— (3) Be not less than one full page in size. The Administrator may comply with the requirement in this subparagraph by publishing one or more versions of the notice that are less than one full page in size if the size of all the versions of the notice published during the year is cumulatively not less than six full pages.~~

~~— (b) In a county whose population is less than 700,000:~~

~~— (1) Be published not less than once each year in a newspaper of general circulation in the county; and~~

~~— (2) Include the last known city of any person named in the notice.~~

~~— 2. The notice required by subsection 1 must be in a form that, in the judgment of the Administrator, is likely to attract the attention of persons who may have a legal or equitable interest in unclaimed property or of the legal representatives of such persons. The form must contain:~~



~~—(a)~~ (b) The name, physical address, telephone number and Internet address of the website of the Administrator;

~~{(b)}~~ (c) A statement explaining that unclaimed property is presumed to be abandoned and has been taken into the protective custody of the Administrator; ~~and~~

~~—(e)~~ (d) A statement that information about property taken into protective custody and its return to the owner is available to the owner or a person having a legal or beneficial interest in the property, upon request to the Administrator, directed to the Deputy of Unclaimed Property ~~[-~~

~~—3. In addition to publishing the notice required by subsection 1,]~~;

(e) Information concerning the requirements prescribed by NRS 120A.560 and 120A.640; and

(f) Any other information deemed necessary by the Administrator.

4. *At least once a year*, the Administrator shall publish ~~fa notice not later than February 1 and August 1 of each year summarizing the requirements of this chapter as they apply to the holders of unclaimed property. The notice must:~~

~~—(a) Be published in a newspaper of general circulation in this State; and~~

~~—(b) Be not less than one full page in size. The Administrator may comply with the requirement of this paragraph by publishing one or more versions of the notice that are less than one full page in size if the size of all the versions of the notice published during the year is cumulatively not less than two full pages.~~

~~—4. In addition to complying with the requirements of subsections 1, 2 and 3,] the information made available on the website of the Administrator pursuant to subsection 3 by press release.~~

5. *In addition to complying with the requirements of subsections 1 to 4, inclusive, the Administrator shall, in each county whose population is less than 700,000, publish a notice not later than November 30 of the year next following the year in which abandoned property has been paid or delivered to the Administrator. The notice must:*

(a) Be published not less than once each year in a newspaper of general circulation in the county; and

(b) Include the last known city of any person named in the notice.

6. *The notice required by subsection 5 must:*



(a) *Be in a form that, in the judgment of the Administrator, is likely to attract the attention of persons who may have a legal or equitable interest in unclaimed property or of the legal representatives of such persons; and*

(b) *Include the information made available on the website of the Administrator pursuant to subsection 3.*

7. *Nothing in this section shall be construed to limit the ability of the Administrator ~~may~~ to advertise or otherwise provide information concerning unclaimed or abandoned property ~~including, without limitation, the information set forth in subsections 2 and 3,~~ at any other time and in any other manner that the Administrator selects.*

Sec. 11. NRS 120A.610 is hereby amended to read as follows:

120A.610 1. Except as otherwise provided in subsections ~~4~~ 5 to ~~8~~ 9, inclusive, all abandoned property other than money delivered to the Administrator under this chapter must, within 2 years after the delivery, be sold by the Administrator to the highest bidder at public sale in whatever manner affords, in his or her judgment, the most favorable market for the property. The Administrator may decline the highest bid and reoffer the property for sale if the Administrator considers the bid to be insufficient.

2. ~~Any sale held under this section must be preceded by a single publication of notice, not less than~~ *At least* 21 days before a sale, ~~in a newspaper of general circulation in the county in which the property is to be sold. The~~ *held under this section, the Administrator ~~may~~ shall provide notice to the public of the sale by posting notice of the sale:*

(a) *At the principal office of the Administrator;*

(b) *At not less than three other prominent places within this State;*

(c) *On the website of the Administrator; and*

(d) *By press release.*

3. *The Administrator may provide additional notice of ~~any such~~ a sale held under this section at any time and in any manner that the Administrator selects.*

~~3~~ 4. The purchaser of property at any sale conducted by the Administrator pursuant to this chapter takes the property free of all claims of the owner or previous holder and of all persons claiming through or under them. The Administrator shall execute all documents necessary to complete the transfer of ownership.

~~4~~ 5. Except as otherwise provided in subsection ~~5~~ 6, the Administrator need not offer any property for sale if the Administrator considers that the probable cost of the sale will



exceed the proceeds of the sale. The Administrator may destroy or otherwise dispose of such property or may transfer it to:

(a) The Nevada State Museum Las Vegas, the Nevada State Museum or the Nevada Historical Society, upon its written request, if the property has, in the opinion of the requesting institution, historical, artistic or literary value and is worthy of preservation; or

(b) A genealogical library, upon its written request, if the property has genealogical value and is not wanted by the Nevada State Museum Las Vegas, the Nevada State Museum or the Nevada Historical Society.

↳ An action may not be maintained by any person against the holder of the property because of that transfer, disposal or destruction.

~~15.1~~ 6. The Administrator shall transfer property to the Department of Veterans Services, upon its written request, if the property has military value.

~~16.1~~ 7. Securities delivered to the Administrator pursuant to this chapter may be sold by the Administrator at any time after the delivery. Securities listed on an established stock exchange must be sold at the prevailing price for that security on the exchange at the time of sale. Other securities not listed on an established stock exchange may be sold:

(a) Over the counter at the prevailing price for that security at the time of sale; or

(b) By any other method the Administrator deems acceptable.

~~17.1~~ 8. The Administrator shall hold property that was removed from a safe-deposit box or other safekeeping repository for 1 year after the date of the delivery of the property to the Administrator, unless that property is a will or a codicil to a will, in which case the Administrator shall hold the property for 10 years after the date of the delivery of the property to the Administrator. If no claims are filed for the property within that period and the Administrator determines that the probable cost of the sale of the property will exceed the proceeds of the sale, it may be destroyed.

~~18.1~~ 9. All proceeds received by the Administrator from abandoned gift certificates must be accounted for separately in the Abandoned Property Trust Account in the State General Fund. At the end of each fiscal year, before any other money in the Abandoned Property Trust Account is transferred pursuant to NRS 120A.620, the balance in the subaccount created pursuant to this subsection, less any costs, service charges or claims chargeable to the subaccount, must be transferred to the State Education Fund.



Sec. 12. NRS 120A.660 is hereby amended to read as follows:
120A.660 ~~[1.]~~ The Administrator may ~~[decline]~~ :

1. Decline to receive property reported under this chapter which the Administrator considers to have a value less than the expenses of notice and sale ~~[~~

~~— 2. — A holder, with the written consent of the Administrator and upon conditions and terms prescribed by the Administrator, may report and deliver] ; and~~

2. Receive property *reported and delivered by a holder* before the property is presumed abandoned ~~[.]~~ *if the Administrator determines that receipt of such property is in the best interests of the State.*

Sec. 13. NRS 120A.715 is hereby amended to read as follows:
120A.715 ~~[In order to facilitate the return of property under this chapter, the]~~

1. The Administrator may ~~[enter into cooperative agreements with an]~~ *request that a state agency or local* agency ~~[from this State concerning the protection of shared]~~ *provide to the Administrator certain* confidential information ~~[, rules]~~ for ~~[data matching and other issues. Upon]~~ the ~~[execution]~~ *purpose* of ~~[such an agreement,]~~ *facilitating* the ~~[Administrator may provide to the agency with which the Administrator has entered the cooperative agreement information regarding the apparent owners]~~ *return* of unclaimed or abandoned property ~~[pursuant to]~~ *under* this chapter, including, without limitation, ~~[the name and social security number of the apparent owner. An agency that has entered into a cooperative agreement with the Administrator pursuant to this section shall notify the Administrator of]~~ the last known address of ~~[each]~~ *an* apparent owner ~~[for which information was provided to the agency pursuant to this section, except as]~~ *of unclaimed or abandoned property.*

2. A state agency or local agency shall provide to the Administrator any information requested pursuant to subsection 1 as soon as reasonably practicable unless the provision of such information is prohibited by federal law.

3. Nothing in this section shall be construed to limit the ability of the Administrator to request or receive from a state agency or local agency information which is not deemed confidential.

4. As used in this section:

(a) "Local agency" has the meaning ascribed to it in NRS 223.466.



(b) "State agency" has the meaning ascribed to it in NRS 223.470.

Sec. 14. NRS 120A.730 is hereby amended to read as follows:

120A.730 1. A holder who fails to report, pay or deliver property within the time prescribed by this chapter shall pay to the Administrator interest at the rate of 18 percent per annum on the property or value thereof from the date the property should have been reported, paid or delivered.

2. Except as otherwise provided in subsection 3, a holder who fails to report, pay or deliver property within the time prescribed by this chapter or fails to perform other duties imposed by this chapter shall pay to the Administrator, in addition to interest as provided in subsection 1, a civil penalty of \$200 for each day the report, payment or delivery is withheld or the duty is not performed, up to a maximum of \$5,000.

3. A holder who willfully fails to report, pay or deliver property within the time prescribed by this chapter or willfully fails to perform other duties imposed by this chapter shall pay to the Administrator, in addition to interest as provided in subsection 1, a civil penalty of \$1,000 for each day the report, payment or delivery is withheld or the duty is not performed, up to a maximum of \$25,000, plus 25 percent of the value of any property that should have been but was not reported.

4. A holder who makes a fraudulent report shall pay to the Administrator, in addition to interest as provided in subsection 1, a civil penalty of \$1,000 for each day from the date a report under this chapter was due, up to a maximum of \$25,000, plus 25 percent of the value of any property that should have been but was not reported.

5. The Administrator for good cause may waive, in whole or in part, interest under subsection 1 and penalties under subsections 2 and 3, and shall waive penalties if the holder acted in good faith and without negligence.

6. A holder who fails to make a payment as required by subsections ~~14~~ 14 and ~~15~~ 15 of NRS 120A.560 must be assessed by the Administrator a fee for each such payment in an amount equal to the greater of \$50 or 2 percent of the amount of the payment.

Sec. 14.5. NRS 120A.740 is hereby amended to read as follows:

120A.740 1. An agreement by an owner, the primary purpose of which is to locate, deliver, recover or assist in the recovery of property that is presumed abandoned, is void and unenforceable if it



was entered into during the period commencing on the date the property was presumed abandoned and extending to a time that is 24 months after the date the property is paid or delivered to the Administrator. This subsection does not apply to an owner's agreement with an attorney to file a claim as to identified property or contest the Administrator's denial of a claim.

2. An agreement by an owner, the primary purpose of which is to locate, deliver, recover or assist in the recovery of property, is enforceable only if the agreement:

- (a) Is in writing;
- (b) Clearly sets forth the nature of the property and the services to be rendered;
- (c) Sets forth the date on which the property was paid or delivered to the Administrator;
- (d) Sets forth a statement of the provisions of this section;
- (e) Is signed by the apparent owner; and
- (f) States the value of the property before and after the fee or other compensation has been deducted.

3. If an agreement covered by this section applies to mineral proceeds and the agreement contains a provision to pay compensation that includes a portion of the underlying minerals or any mineral proceeds not then presumed abandoned, the provision is void and unenforceable.

4. An agreement covered by this section must not provide for compensation that is more than:

- (a) If the property that is the subject of the agreement was paid or delivered to the Administrator less than 5 years before the signing of the agreement, 10 percent of the total value of the property.
- (b) If the property that is the subject of the agreement was paid or delivered to the Administrator 5 years or more before the signing of the agreement, 20 percent of the total value of the property.

5. An agreement that provides for compensation that is more than the applicable percentage set forth in subsection 4 of the total value of the property that is the subject of the agreement is unenforceable except by the owner. An owner who has agreed to pay compensation that is more than the applicable percentage set forth in subsection 4 of the total value of the property that is the subject of the agreement, or the Administrator on behalf of the owner, may maintain an action to reduce the compensation to an amount that does not exceed the applicable percentage set forth in subsection 4 of the total value of the property. The court may award reasonable attorney's fees to an owner who prevails in the action.



6. This section does not preclude an owner from asserting that an agreement covered by this section is invalid on grounds other than noncompliance with the provisions of this section.

7. The Administrator may adopt such regulations as are necessary to protect the interests of an owner who enters into an agreement covered by this section. The regulations may, without limitation, provide for the licensure or registration of a person with whom an owner enters into an agreement.

Sec. 15. NRS 387.1212 is hereby amended to read as follows:

387.1212 1. The State Education Fund is hereby created as a special revenue fund to be administered by the Superintendent of Public Instruction for the purpose of supporting the operation of the public schools in this State. The interest and income earned on the money in the Fund, excluding the direct legislative appropriation from the State General Fund required by subsection 3, must, after deducting any applicable charges, be credited to the Fund.

2. Money which must be deposited for credit to the State Education Fund includes, without limitation:

(a) All money derived from interest on the State Permanent School Fund, as provided in NRS 387.030;

(b) The proceeds of the tax imposed pursuant to NRS 244.33561 and any applicable penalty or interest, less any amount retained by the county treasurer for the actual cost of collecting and administering the tax;

(c) The proceeds of the tax imposed pursuant to subsection 1 of NRS 387.195;

(d) The money identified in subsection ~~8~~ 9 of NRS 120A.610;

(e) The portion of the money in each special account created pursuant to subsection 1 of NRS 179.1187 which is identified in paragraph (d) of subsection 2 of NRS 179.1187;

(f) The money identified in paragraph (d) of subsection 6 of NRS 278C.250;

(g) The money identified in subsection 1 of NRS 328.450;

(h) The money identified in subsection 1 of NRS 328.460;

(i) The money identified in paragraph (a) of subsection 2 of NRS 360.850;

(j) The money identified in paragraph (a) of subsection 2 of NRS 360.855;

(k) The money required to be transferred to the State Education Fund pursuant to NRS 362.100;

(l) The money required to be paid over to the State Treasurer for deposit to the credit of the State Education Fund pursuant to subsection 4 of NRS 362.170;



(m) The portion of the proceeds of the tax imposed pursuant to subsection 1 of NRS 372A.290 identified in paragraph (b) of subsection 4 of NRS 372A.290;

(n) The proceeds of the tax imposed pursuant to subsection 3 of NRS 372A.290;

(o) The proceeds of the fees, taxes, interest and penalties imposed pursuant to chapter 374 of NRS, as transferred pursuant to subsection 3 of NRS 374.785;

(p) The money identified in subsection 5 of NRS 445B.640;

(q) The money identified in paragraph (b) of subsection 4 of NRS 678B.390;

(r) The portion of the proceeds of the excise tax imposed pursuant to subsection 1 of NRS 463.385 identified in paragraph (c) of subsection 5 of NRS 463.385;

(s) The money required to be distributed to the State Education Fund pursuant to subsection 3 of NRS 482.181;

(t) The portion of the proceeds of the fee imposed pursuant to NRS 488.075 identified in subsection 2 of NRS 488.075;

(u) The portion of the net profits of the grantee of a franchise, right or privilege identified in NRS 709.110;

(v) The portion of the net profits of the grantee of a franchise identified in NRS 709.230;

(w) The portion of the net profits of the grantee of a franchise identified in NRS 709.270;

(x) The money required to be distributed to the State Education Fund pursuant to NRS 363D.290; and

(y) The direct legislative appropriation from the State General Fund required by subsection 3.

3. In addition to money from any other source provided by law, support for the State Education Fund must be provided by direct legislative appropriation from the State General Fund in an amount determined by the Legislature to be sufficient to fund the operation of the public schools in this State for kindergarten through grade 12 for the next ensuing biennium for the population reasonably estimated for that biennium. Money in the State Education Fund does not revert to the State General Fund at the end of a fiscal year, and the balance in the State Education Fund must be carried forward to the next fiscal year.

4. Money in the Fund must be paid out on claims as other claims against the State are paid.

Sec. 16. NRS 120A.750 is hereby repealed.

Sec. 17. This act becomes effective on July 1, 2023.



