

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 12

2020 First Extraordinary Session

Fesi

KEYWORD AND SUMMARY AS RETURNED TO THE SENATE

UNCLAIMED PROPERTY. Constitutional amendment to dedicate unclaimed property funds and to create the Louisiana Unclaimed Property Permanent Trust Fund. (2/3 - CA13s1(A)) (Item #10) (7/1/21)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Remove language regarding pledge of monies in the Unclaimed Property Leverage Fund.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

SB 12 Reengrossed

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Proposed constitutional amendment creates the La. Unclaimed Property Permanent Trust Fund (UCP Permanent Trust Fund) to be used solely for the payment of claims made by owners of abandoned property. Further prohibits appropriation from the UCP Permanent Trust Fund.

Proposed constitutional amendment requires monies received pursuant to present law (Uniform Unclaimed Property Act, R.S. 9:151 et seq.) remaining after allocation to the Bond Security and Redemption Fund pursuant to present constitution; the payment of all administrative fees, costs, and expenses provided by law; and deposit of monies into the Unclaimed Property Leverage Fund to be deposited in the UCP Permanent Trust Fund. Further provides that realized capital gains, dividend income, and interest income earned on investments in the fund, net of trust fund investment and administrative expenses, shall be deposited into the State General Fund.

Proposed constitutional amendment requires the state treasurer to annually report the UCP Permanent Trust Fund balance and the state's potential liability for unclaimed property claims to the legislature and the governor. Further authorizes money to be deposited into the UCP Permanent Trust Fund until the balance in that fund equals the state's reported potential liability for all unclaimed property. Once this threshold is reached in the UCP Permanent Trust Fund, proposed constitutional amendment requires any additional money received to be deposited into the State General Fund.

Proposed constitutional amendment authorizes the state treasurer to invest up to 50% of the balance in the UCP Permanent Trust Fund in equities. Requires the legislature to establish procedures for the investment of the funds and authorizes the treasurer to contract for the management of the investments.

Proposed constitutional amendment authorizes the treasurer to transfer money from the UCP Permanent Trust Fund if claims for unclaimed property exceed receipts. Requires the treasurer to certify the amount needed to pay claims received and immediately notify the legislature and the governor of the new fund balance once he has transferred the money.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 3, 2020.

Effective July 1, 2021.

(Adds Const. Art. VII, §10(F)(4)(i) and §28)

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