Stricken language would be deleted from and underlined language would be added to present law.

Act 325 of the Regular Session

State of Arkansas
92nd General Assembly
Regular Session, 2019

By: Representative Eaves

A Bill

HOUSE BILL 1428

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING UNCLAIMED PROPERTY; TO AUTHORIZE USE OF THE STATE TREASURY MONEY MANAGEMENT TRUST BY THE AUDITOR OF STATE; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING UNCLAIMED PROPERTY; AND TO AUTHORIZE USE OF THE STATE TREASURY MONEY MANAGEMENT TRUST BY THE AUDITOR OF STATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 18-28-213(a), concerning the deposit of unclaimed property funds, is amended to read as follows:

(a)(1) All The funds received under this subchapter, including the proceeds from the sale of abandoned property, shall be deposited by the administrator into a special trust fund to be known as the “Unclaimed Property Proceeds Trust Fund”, from which he or she shall make prompt payment of claims duly allowed by him or her as hereinafter provided under this subchapter.

(2) Such The funds shall be deposited into accounts in one (1) or more financial institutions authorized to do business in this state and may then be transferred into the State Treasury Money Management Trust to be administered in accordance with the laws of this state pertaining to the appropriation, administration, and expenditure of cash funds.

(3)(A) Before making the deposit, he or she the administrator
shall record:

(i) the name and last known address of each person appearing from the holder’s reports to be entitled to the abandoned property, and:

(ii) the name and last known address of each insured or annuitant, and

(iii) with respect to each policy or contract listed in the report of a life insurance corporation, its policy or contract number, the name of the life insurance corporation, and the amount due under each policy or contract listed in the report of a life insurance corporation.

(B) The record shall be available for public inspection at all reasonable business hours.

SECTION 2. Arkansas Code § 18-28-403(a)(1)(C), concerning the disposition of funds from abandoned mineral proceeds is amended to read as follows:

(C) Such funds shall be deposited into accounts in one or more financial institutions authorized to do business in this state, and may then be transferred into the State Treasury Money Management Trust to be administered in accordance with the laws of this state pertaining to the appropriation, administration, and expenditure of cash funds.

SECTION 3. Arkansas Code § 19-3-603 is amended to read as follows:

19-3-603. Authorized deposits.

Any entity listed below may deposit money to the State Treasury Money Management Trust for the purpose of investment:

(1) State agency’s cash funds as defined in § 19-4-801;

(2) Local governments:

(A) Any city, county, school district, or community college district of this state; and

(B) Any department, instrumentality, or agency of these entities; and

(3) The Treasurer of State may invest in the State Treasury Money Management Trust to the extent State Treasury funds are not being utilized for certificates of deposit under the State Treasury Certificate of
Deposit Investment Program or for trust certificates of deposit pursuant to
the State Treasury Management Law, § 19-3-501 et seq.; and

(4) The Auditor of State may invest funds subject to the
unclaimed property provisions of the Unclaimed Property Act, § 18-28-201 et
seq., in the State Treasury Money Management Trust.

SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
General Assembly of the State of Arkansas that under the current provisions
of the Unclaimed Property Act, § 18-28-201 et seq., the Auditor of State may
not deposit unclaimed property funds with the State Treasurer for investment
purposes; and that the unclaimed property funds are currently held in the
Unclaimed Property Proceeds Trust Fund accruing minute interest; that the
authority to invest funds in the State Treasury Money Management Trust will
generate a greater financial return to be used for the benefit of the state.
Therefore, an emergency is declared to exist, and this act being immediately
necessary for the preservation of the public peace, health, and safety shall
become effective on:

(1) The date of its approval by the Governor;
(2) If the bill is neither approved nor vetoed by the Governor,
the expiration of the period of time during which the Governor may veto the
bill; or
(3) If the bill is vetoed by the Governor and the veto is
overridden, the date the last house overrides the veto.

APPROVED: 3/6/19