

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

State of Arkansas
85th General Assembly
Regular Session, 2005

A Bill

SENATE BILL 14

By: Senator Faris
By: Representative Dickinson

For An Act To Be Entitled

AN ACT TO AMEND THE UNCLAIMED PROPERTY ACT; AND
FOR OTHER PURPOSES.

Subtitle

AMENDS THE UNCLAIMED PROPERTY ACT.

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

SECTION 1. Arkansas Code § 18-28-211 is amended to read as follows:

18-28-211. Crediting of dividends, interest, and increments to owner's account.

If property other than money is delivered to the administrator under this subchapter, the owner is entitled to receive from the administrator any income or gain realized or accruing on the property at or before liquidation or conversion of the property into money. ~~If~~ However, if the property was an interest bearing demand, savings, or time deposit, including a deposit that is automatically renewable, the administrator shall not pay interest on ~~at a~~ ~~rate of six percent (6%) a year or any lesser rate~~ the property earned while in the possession of the holder. ~~Interest begins to accrue when the property is delivered to the administrator and ceases on the earlier of the expiration of seven (7) years after delivery or the date on which payment is made to the owner. Interest on interest bearing property is not payable for any period before July 30, 1999, unless authorized by law superseded by this subchapter.~~

SECTION 2. Arkansas Code § 18-28-212(a), pertaining to the procedures for selling abandoned property, is amended to read as follows:



(a)(1) Except as otherwise provided in this section, the administrator, within three (3) years after the receipt of abandoned property, shall sell it to the highest bidder at public sale at a location in the state which in the judgment of the administrator affords 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. The administrator need not offer the property for sale if the administrator considers that the probable cost of sale will exceed the proceeds of the sale.

(2) A sale held under this section must be preceded by a single publication of notice, at least three (3) weeks before sale, in a newspaper of general circulation in the county in which the property is to be sold. However, the administrator is not required to publish notice under this section if the abandoned property will be sold through an Internet auction.

SECTION 3. Arkansas Code § 18-28-215 is amended to read as follows:

18-28-215. Filing claim with administrator - Handling of claims by administrator.

(a) A person, excluding another state, claiming property paid or delivered to the administrator may file a claim on a form prescribed by the administrator and verified by the claimant.

(b) Within ninety (90) days after a claim is filed, the administrator shall allow or deny the claim and give written notice of the decision to the claimant. If the claim is denied, the administrator shall inform the claimant of the reasons for the denial and specify what additional evidence is required before the claim will be allowed. The claimant may then file a new claim with the administrator or maintain an action under § 18-28-216.

(c)(1) Within Except as provided in subdivision (c)(2) of this section, within thirty (30) days after a claim is allowed, the property or the net proceeds of a sale of the property must be delivered or paid by the administrator to the claimant, together with any dividend, interest, or other increment to which the claimant is entitled under §§ 18-28-211 and 18-28-212.

(2) If in order to transfer property to the claimant under this section, fees or costs are required to be paid prior to transfer, the administrator may sell all or a portion of the property and deduct the costs of transfer from the proceeds of the sale, and any proceeds remaining shall

1 be paid to the claimant.

2 (d) A holder who pays the owner for property that has been delivered
3 to the state and which, if claimed from the administrator by the owner would
4 be subject to an increment under §§ 18-28-211 and 18-28-212, may recover from
5 the administrator the amount of the increment.

6
7 SECTION 4. Arkansas Code § 18-28-224(a), pertaining to the interest
8 rate to be paid by a holder, is amended to read as follows:

9 (a) A holder who fails to report, pay, or deliver property within the
10 time prescribed by this subchapter shall pay to the administrator interest at
11 the annual rate of ~~two (2) percentage points above the annual rate of~~
12 ~~discount in effect on the date the property should have been paid or~~
13 ~~delivered for the most recent issue of fifty two week United States Treasury~~
14 ~~bills~~ ten percent (10%) on the property or value thereof from the date the
15 property should have been reported, paid or delivered.