

Approved March 20, 2000  
Date

MINUTES OF THE SENATE JUDICIARY COMMITTEE.

The meeting was called to order by Chairperson Emert at 9:43 a.m. on March 17, 2000 in Room 234-N of the Capitol.

All members were present except: Senator Harrington (excused)  
Senator Vratil (excused)  
Senator Bond (excused)  
Senator Oleen (excused)

Committee staff present:

Gordon Self, Revisor  
Mike Heim, Research  
Jerry Donaldson, Research  
Mary Blair, Secretary

Conferees appearing before the committee:

Dennis Wilson, State Treasurer's Office, Unclaimed Property Division

Others attending: see attached list

The minutes of the March 16th meeting were approved on a motion by Senator Bond and seconded by Senator Petty. Carried.

**HB 2648—unclaimed property; cancelled state warrants**

Conferee Wilson discussed a proposed amendment to **HB 2648**. He reviewed the National Treasurers Association's (NTA) work over the years to get the federal government to turn over all unclaimed property due the states. He stated that The Bureau of Public Debt spoke to members of the NTA this past month and offered an "olive branch", i.e., if any state treasurer's office has unclaimed E-bonds the federal government will cash them in and give the money back to the state. It appears the E-bonds they have been holding for over 30 years amount to \$7 billion. NTA members decided to go beyond that offer and force the federal government to return everything they are holding. To do so, they must be, wholly or, in part, an escheat state. Currently, Kansas is a custodial state holding all unclaimed property into perpetuity for the life of the asset. This proposed amendment would provide that Kansas would become a "part" escheat state "by saying that the federal government's money that they turn over to us would be escheatable for the life of the asset." He stated that language in the bill is very narrowly defined dealing only with securities, specifically, the bonds the federal government is holding. Monies received as a result of this amendment would amount to approximately \$50 million and would go into the state general fund. (no attachment) Following discussion and clarification by staff, Senator Pugh moved to amend the amendment to delete the word "distributable" in Section 5, paragraph C, page 7, Senator Donovan seconded. Carried. Senator Donovan moved to amend the amended amendment into **HB 2648**, Senator Petty seconded. Carried.

The meeting adjourned at 10:10. The next scheduled meeting is a joint meeting with the House Judiciary on Monday, March 20<sup>th</sup> from 12:00 - 1:00 in Room 313-S.

