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Senate Ways and Means Committee
House Bill 2139 Testimony
Scott M. Gates, General Counsel

Thank you for the opportunity to present testimony on H.B. 2139. Treasurer Estes supports the bill's language replacing the state's cancelled warrants process with treating them as unclaimed property.

There are two key differences between the state's current cancelled warrants process and treating them as unclaimed property. K.S.A. 46-913(c) places a five year limit on the claims committee's ability to pay claims based on cancelled warrants while unclaimed property can be claimed in perpetuity. Members of the Committee may recall requests directly to this committee to include claims for cancelled warrants that are more than five years old in appropriations bills to avoid the five year limitation on the claims committee's jurisdiction. Also, the Treasurer's Office publishes information about the owners of unclaimed property on its website while information about cancelled warrants is not published. Both processes ultimately route the funds to the State General Fund until claims are presented. Treating them as unclaimed property would be a more efficient way to allow claims to be made at any time while also helping citizens find their unclaimed property.

Cities and counties can issue warrants, checks or warrant checks and there appears to be some inconsistencies in how these terms are defined in K.S.A. 12-105a. Another inconsistency is that their checks must be reported to our office under the Unclaimed Property Act, K.S.A. 58-3934, et. seq., but their cancelled warrants are exempt. We would request that the bill's language eliminating the exemption for K.S.A. 10-815 and repealing both K.S.A. 10-815 and 10-816 be deleted from the bill. Removing this issue from this bill would allow us some time to discuss all of the issues surrounding checks and warrants with cities and counties. Treasurer Estes believes that uncashed checks or warrants issued by both cities and counties should be treated the same under the Unclaimed Property Act.

Senate Ways and Means Committee
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