

1 AN ACT relating to the State Treasurer and unclaimed property.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 2 IS CREATED TO
4 READ AS FOLLOWS:

5 *The fourth week of September of each year is designated as Unclaimed Property Week.*

6 ➔Section 2. KRS 41.020 is amended to read as follows:

7 The Department of the Treasury shall be headed by the State Treasurer. He or she shall
8 reside and keep his or her office at the seat of government.

9 ➔Section 3. KRS 393A.020 is amended to read as follows:

10 This chapter shall not apply to:

11 (1) Property held, due, and owing in a foreign country if the transaction out of which
12 the property arose was a foreign transaction;

13 (2) Money, funds, or any other intangible property held by or owing:

14 (a) To a nonprofit exempt under Section 501(c)(3) of the Internal Revenue Code;
15 or

16 (b) For any minerals or other raw materials capable of being used for fuel in the
17 course of manufacturing, processing, production, or mining; ~~or~~

18 (c) ~~For any mineral proceeds};~~

19 (3) Wages or salaries of fifty dollars (\$50) or less that are not claimed by an employee
20 within one (1) year of the date the wages or salaries are earned, unless the amounts
21 are held on a payroll card;

22 (4) Moneys in inmate accounts and prisoner canteen accounts held by jailer under KRS
23 441.137; or

24 (5) Funds held in a lawyer IOLTA trust account under Supreme Court Rule 3.830.

25 ➔Section 4. KRS 393A.740 is amended to read as follows:

26 (1) If a holder enters into a contract or other arrangement for the purpose of evading an
27 obligation under this chapter or otherwise willfully fails to perform a duty imposed

1 on the holder under this chapter, the administrator may require the holder to pay the
2 administrator, in addition to interest as provided in KRS 393A.730, a civil penalty
3 of one thousand dollars (\$1,000) for each day the obligation is evaded or the duty is
4 not performed, up to a cumulative maximum amount of twenty-five thousand
5 dollars (\$25,000), plus twenty-five percent (25%) of the amount or value of
6 property that should have been but was not reported, paid, or delivered as a result of
7 the evasion or failure to perform.

8 (2) If a holder makes a fraudulent report **or files a report which fails to provide all**
9 **necessary information in their possession** under this chapter, the administrator
10 may require the holder to pay to the administrator, in addition to interest under KRS
11 393A.730, a civil penalty of one thousand dollars (\$1,000) for each day from the
12 date the report was made until corrected, up to a cumulative maximum of twenty-
13 five thousand dollars (\$25,000), plus twenty-five percent (25%) of the amount or
14 value of any property that should have been reported but was not included in the
15 report or was underreported.