

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.