

CHAPTER 114

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**PROPERTY**

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SENATE BILL 00-057

BY SENATORS Hillman, Chlouber, and Tebedo;  
also REPRESENTATIVES McPherson, Hefley, Lawrence, May, Miller, Paschall, and Plant.

**AN ACT**

CONCERNING THE CREATION OF AN UNCLAIMED PROPERTY TRUST FUND THAT CONSISTS OF MONEYS COLLECTED BY THE TREASURER UNDER THE COLORADO "UNCLAIMED PROPERTY ACT", AND, IN CONNECTION THEREWITH, PROVIDING FOR THE USE OF THE PRINCIPAL AND INTEREST OF THE UNCLAIMED PROPERTY TRUST FUND, ELIMINATING THE UNCLAIMED PROPERTY CASH FUNDS, AND DECLARING THE MONEYS IN THE TRUST FUND EXEMPT FROM FISCAL YEAR SPENDING AND STATE APPROPRIATION.

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** Article 13 of title 38, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**38-13-116.5. Unclaimed property trust fund - creation - payments - interest - appropriations - records.** (1) (a) THERE IS HEREBY CREATED IN THE STATE TREASURY THE UNCLAIMED PROPERTY TRUST FUND. THE PRINCIPAL IN THE TRUST FUND SHALL CONSIST OF ALL MONEYS COLLECTED BY THE ADMINISTRATOR UNDER THIS ARTICLE. ON JULY 1, 2001, ANY MONEYS IN THE ABANDONED PROPERTY FUND, THE UNCLAIMED INSURANCE MONEYS FUND, OR THE BUSINESS ASSOCIATIONS UNCLAIMED MONEYS FUND CREATED IN SECTION 38-13-116 SHALL BE TRANSFERRED TO AND SHALL BECOME A PART OF THE TRUST FUND.

(b) THE PRINCIPAL OF THE TRUST FUND SHALL NOT BE EXPENDED EXCEPT TO PAY CLAIMS MADE PURSUANT TO THIS ARTICLE. MONEYS COMPRISING THE PRINCIPAL OF THE TRUST FUND THAT ARE CREDITED TO OR EXPENDED FROM SUCH TRUST FUND SHALL NOT CONSTITUTE FISCAL YEAR SPENDING OF THE STATE FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, AND SUCH MONEYS SHALL BE DEEMED CUSTODIAL FUNDS THAT ARE NOT SUBJECT TO APPROPRIATION BY THE GENERAL ASSEMBLY.

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

(c) ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE TRUST FUND SHALL BE CREDITED TO THE COLORADO UNINSURABLE HEALTH INSURANCE PLAN CASH FUND ESTABLISHED IN SECTION 10-8-530 (2), C.R.S., AND SHALL BE SUBJECT TO APPROPRIATION BY THE GENERAL ASSEMBLY FOR THE PURPOSES OF PART 5 OF ARTICLE 8 OF TITLE 10, C.R.S.

(d) THE MONEYS IN THE UNCLAIMED PROPERTY TRUST FUND SHALL NOT REVERT TO THE GENERAL FUND AT THE END OF ANY FISCAL YEAR.

(2) THE GENERAL ASSEMBLY SHALL MAKE ANNUAL APPROPRIATIONS OUT OF THE GENERAL FUND FOR THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THIS ARTICLE.

(3) BEFORE CREDITING ANY MONEYS TO THE TRUST FUND PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE ADMINISTRATOR SHALL RECORD THE NAME AND LAST-KNOWN ADDRESS OF EACH PERSON APPEARING FROM THE HOLDERS' REPORTS TO BE ENTITLED TO THE PROPERTY. THE RECORD SHALL BE AVAILABLE FOR PUBLIC INSPECTION DURING ALL REASONABLE BUSINESS HOURS.

**SECTION 2.** 10-8-530 (1) (a), Colorado Revised Statutes, is amended to read:

**10-8-530. Funding of plan.** (1) The plan shall be funded by the following:

(a) Moneys credited pursuant to ~~sections 38-13-116(3)(b)(i) and 38-13-116(4)~~ SECTION 38-13-116.5 (1) (c), C.R.S.;

**SECTION 3.** 38-13-116, Colorado Revised Statutes, is amended to read:

**38-13-116. Creation of funds - repeal.** (1) There is hereby created in the state treasury a fund to be known as the abandoned property fund. PRIOR TO THE EFFECTIVE DATE OF THIS ACT, AND except as provided in subsections (3) and (4) of this section, moneys collected under this article, including the proceeds from the sale of abandoned property under section 38-13-115, shall be credited to said fund and are appropriated to the administrator for payment of claims as provided in this section. ~~The administrator shall maintain at least one hundred thousand dollars but not more than one hundred twenty thousand dollars in said fund for the prompt payment of all claims.~~ The moneys in the abandoned property fund shall not revert to the general fund at the end of any fiscal year. ANY MONEYS REMAINING IN THE ABANDONED PROPERTY FUND ON OR AFTER THE EFFECTIVE DATE OF THIS ACT SHALL BE TRANSFERRED TO THE UNCLAIMED PROPERTY TRUST FUND ESTABLISHED IN SECTION 38-13-116.5 ON JULY 1, 2001. ~~Moneys received in excess of that required by this subsection (1) shall be credited to the general fund.~~ The general assembly shall make annual appropriations, out of the general fund, for the direct and indirect costs of administering this article. Before crediting any moneys, the administrator shall record the name and last-known address of each person appearing from the holders' reports to be entitled to the property. The record must be available for public inspection at all reasonable business hours.

(2) Repealed.

(3) (a) There is hereby created in the state treasury a fund to be known as the

unclaimed insurance moneys fund. PRIOR TO THE EFFECTIVE DATE OF THIS ACT, moneys collected by the administrator under this article as a result of payment or delivery to the administrator of amounts due and payable by insurance companies under the terms of insurance policies shall be credited to such fund and are appropriated to the administrator for payment of claims as provided in this section. The moneys MAINTAINED in the unclaimed insurance moneys fund shall not revert to the general fund at the end of any fiscal year. ~~Fifty percent of any moneys credited to the unclaimed insurance moneys fund shall immediately be credited to the special fund for industrial bank moneys established in section 11-22-614 (2), C.R.S. One year after any moneys are originally credited to the unclaimed insurance moneys fund, the administrator shall determine what percentage of the remainder of such moneys shall be credited to the special fund for industrial bank moneys based on claims made for such moneys and the amount of moneys available in the unclaimed insurance moneys fund to pay those claims. If the administrator determines that additional moneys are required in the unclaimed insurance moneys fund to pay claims made for such moneys, the administrator shall credit less than fifty percent to the special fund for industrial bank moneys unclaimed property trust fund in order to pay such claims. All moneys credited to the special fund for industrial bank moneys shall be distributed according to the provisions of section 11-22-614, C.R.S. The bank receiver shall separately account for such moneys.~~ ANY MONEYS REMAINING IN THE ABANDONED PROPERTY FUND ON OR AFTER THE EFFECTIVE DATE OF THIS ACT SHALL BE TRANSFERRED TO THE UNCLAIMED PROPERTY TRUST FUND ESTABLISHED IN SECTION 38-13-116.5 ON JULY 1, 2001.

(b) (I) ~~When the special fund for industrial bank moneys is to be terminated pursuant to section 11-22-614 (5), C.R.S., any moneys remaining in such fund which are attributable to moneys collected by the administrator under this article shall be credited to the Colorado uninsurable health insurance plan cash fund created under section 10-8-530 (2), C.R.S., and any moneys thereafter collected by the administrator under this article as a result of amounts due and payable by insurance companies under the terms of insurance policies not needed for the payment of claims under this article shall be credited to the Colorado uninsurable health insurance plan cash fund created under section 10-8-530 (2), C.R.S.~~

(II) (Deleted by amendment, L. 93, p. 1025, § 4, effective June 2, 1993.)

(III) ~~The administrator shall calculate the effect of any increase in the scope, coverage, or dollar amount of the de minimis exemption provided for in section 38-13-110 (4) (e) occurring on or after June 30, 1995, and shall adjust the amounts payable into the special fund for industrial bank moneys and the Colorado uninsurable health insurance plan cash fund accordingly so as to result in no net loss to such funds as a result of such increase.~~

(c) Before crediting any moneys, the administrator shall record the name and last-known address of each person appearing from the holders' reports to be entitled to the property. The record must be available for public inspection at all reasonable business hours.

(4) (a) There is hereby created in the state treasury a fund to be known as the business associations unclaimed moneys fund. PRIOR TO THE EFFECTIVE DATE OF THIS ACT, moneys collected by the administrator under this article as a result of payment

or delivery to the administrator of amounts due and payable by business associations, except moneys collected pursuant to sections 38-13-105, 38-13-106, 38-13-107, 38-13-108, 38-13-108.5, 38-13-109, 38-13-109.5, and 38-13-112, shall be credited to the business associations unclaimed moneys fund and are appropriated to the administrator for payment of claims as provided in this section. ~~The administrator shall determine an appropriate amount of moneys to be maintained in the business associations unclaimed moneys fund for payment of claims as provided in this section, and~~ The moneys maintained in the fund shall not revert to the general fund at the end of any fiscal year. ~~Moneys in the business associations unclaimed moneys fund received in excess of that required by this paragraph (a) to be maintained in the fund and that required by paragraph (b) of this subsection (4) to be transferred to the Colorado uninsurable health insurance plan cash fund shall be credited to the general fund.~~ ANY MONEYS REMAINING IN THE ABANDONED PROPERTY FUND ON OR AFTER THE EFFECTIVE DATE OF THIS ACT SHALL BE TRANSFERRED TO THE UNCLAIMED PROPERTY TRUST FUND ESTABLISHED IN SECTION 38-13-116.5 ON JULY 1, 2001.

~~(b) Each year after November 1, but no later than December 30, the administrator shall credit up to two million five hundred thousand dollars from the business associations unclaimed moneys fund to the Colorado uninsurable health insurance plan cash fund created in section 10-8-530 (2), C.R.S. If in any year the administrator determines that additional moneys are required to pay claims, the administrator shall reduce the amount credited to the Colorado uninsurable health insurance plan cash fund for such year in order to pay such claims. Before crediting any moneys pursuant to this paragraph (b) PARAGRAPH (a) OF THIS SUBSECTION (4), the administrator shall record the name and last-known address of each person appearing from the holders' reports to be entitled to the property. The record shall be available for public inspection at all reasonable business hours.~~

(c) (Deleted by amendment, L. 97, p. 622, § 22, effective July 1, 1997.)

(5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2001.

**SECTION 4. Effective date.** This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: April 13, 2000