

SESSION OF 2004

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 399**

As Recommended by Senate Committee on  
Financial Institutions and Insurance

**Brief\***

SB 399 concerns unclaimed property and amends the law requiring unclaimed property to be reported to the state in a specified period of time. The bill adds new language that requires property distributable in the course of a demutualization, rehabilitation, or related reorganization of an insurance company to be abandoned two years after the date of the demutualization, rehabilitation, or related reorganization.

The bill also provides that the initial reporting date of property distributable in the course of a demutualization, rehabilitation, or related reorganization of an insurance company as of December 1, 2003, shall be November 1, 2004.

**Background**

SB 399 was requested by the State Treasurer, whose representative explained that passage of the bill would make the state eligible to receive from one insurance company a one-time amount of about \$10 million this year. Under current law the report of the funds to the state would occur at the end of five years of abandonment of the distributable property. Over half of the states have enacted similar legislation.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>