

MEMO# 2014

July 13, 1990

COMMENTS REQUESTED ON PROPOSED CHANGES TO THE UNIFORM UNCLAIMED PROPERTY ACT

July 13, 1990 TO: ABANDONED PROPERTY TASK FORCE PENSION COMMITTEE NO. 15-90 RE: COMMENTS REQUESTED ON PROPOSED CHANGES TO THE UNIFORM UNCLAIMED PROPERTY ACT _____ Attached is a letter

concerning changes to the Uniform Unclaimed Property Act which are being considered by the uniform law committee of the National Association of Unclaimed Property Administrators. The letter requests comments on specific issues concerning stock dividends, underlying shares, dividend reinvestment accounts, individual retirement accounts and qualified pension plans and includes a number of questions pertaining to those areas. Also attached are the relevant provisions of the Uniform Act. With regard to unclaimed qualified pension funds, the Institute understands that the Department of Labor has reached the tentative conclusion that state escheat laws are generally preempted by ERISA. Thus, any state escheat law would not be applicable and the states, or in their absence, pension plan administrators should utilize other procedures in distributing funds to lost participants and beneficiaries. On the other hand, the Internal Revenue Service allows state escheat laws to apply to accounts of lost participants. The letter indicates that the committee's next report is due shortly after Labor Day. Therefore, please provide me with your comments on the attached letter by August 1, 1990. Amy B. Rosenblum Assistant General Counsel Attachments