



*Lynn Fitch*  
**ATTORNEY GENERAL**  
OPINIONS AND POLICY

November 22, 2022

The Honorable David McRae  
State Treasurer  
Post Office Box 138  
Jackson, Mississippi 39205

Re: Uniform Disposition of Unclaimed Property Act

Dear Treasurer McRae:

The Office of the Attorney General has received your request for an official opinion.

### **Background**

You provide the following background in your request:

The Office of the State Treasurer has been contacted by a certain self-insured workers' compensation group comprised of members who have joint and several liability for the workers' compensation obligations of the other members. The group has ceased its risk-sharing activities and is in the process of winding down, liquidating and disbursing assets. For each "coverage year" during which such group was in existence, the membership of the group may, and likely did, differ, and the profitability of the group differed based on loss experienced during that "coverage year." As a result, each "coverage year" stands alone in terms of determining available surplus cash to be distributed for that "coverage year" once all claims related to that "coverage year" are closed out. Also, each "coverage year" stands alone in terms of the members to whom distributions of surplus cash shall be made for that "coverage year." As a result of membership turnover and the delayed determination of distributable cash from a "coverage year" until all claims for that year are closed out, it is not uncommon for self-insured workers' compensation groups to accumulate unclaimed dividends otherwise payable to past members of the group who, despite the group's best efforts, cannot be located. One such group has contacted the Office of the State Treasurer for guidance on whether such unclaimed dividends constitute unclaimed property to be remitted to the Office of the State Treasurer pursuant to the Uniform Disposition of Unclaimed Property Act, codified in Section 89-12-1 *et seq.*

### **Question Presented**

Does Mississippi law require self-insured workers' compensation groups or associations comprised of members who have joint and several liability for the workers' compensation obligations of the other members to report and remit or deliver to the Treasurer all future and prior dividends declared and paid by such groups or associations that are unclaimed by the member payee?

### **Brief Response**

The Uniform Disposition of Unclaimed Property Act, codified in Sections 89-12-1 *et seq.* of the Mississippi Code, does not require self-insured workers' compensation groups or associations comprised of members who have joint and several liability for the workers' compensation obligation of the other members to report or remit to the Treasurer intangible personal property presumed abandoned.

### **Applicable Law and Discussion**

Sections 89-12-23(1) and 89-12-29 provide that every person holding funds or other intangible personal property that is presumed abandoned must report and deliver such property to the Treasurer. The definition of the term "intangible personal property" provided in Section 89-12-3(f)(ii) was amended in 2006 to explicitly state that "future or prior dividends made by the workers' compensation groups or associations described in paragraph (e)" are excepted from the definition of the term. Subsection (e) defines "insurance corporation" and provides that the term "does not include self-insured workers' compensation groups or associations comprised of members who have joint and several liability for the workers' compensation obligation of the other members." Based on those definitions, it is the opinion of this office that the statutory requirements to report and remit intangible property presumed abandoned do not apply to future or prior dividends made by self-insured workers' compensation groups or associations comprised of members who have joint and several liability for the workers' compensation obligation of other members. Whether "other funds" that may be held by the relevant groups are required to be reported and remitted pursuant to Sections 89-12-29(1) and 89-12-23 is beyond the scope of this opinion.

If this office may be of any further assistance to you, please do not hesitate to contact us.

Sincerely,

LYNN FITCH, ATTORNEY GENERAL

By: /s/ Abigail C. Overby

Abigail C. Overby  
Special Assistant Attorney General