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November 5, 1985

OPINION LETTER NO. 80-85

Mr. Carl M. Koupal, Jr., Director
Department of Economic Development
Truman State Office Building
Jefferson City, Missouri 65101

Dear Mr. Koupal:

This letter is in response to your question asking:

Does the Director of the Department of Economic Development have the authority to enter into a contract with a company to recover abandoned or unclaimed funds on the state's behalf?

If the Director of the Department of Economic Development has the authority to enter into such a contract, can the company be compensated from proceeds recovered?

The Uniform Disposition of Unclaimed Property Act, Sections 447.500 to 447.585, RSMo Supp. 1984, was adopted in House Bill No. 1088, 1984 Mo. Laws 702.

Section 447.572, RSMo Supp. 1984, authorizes the Director to delegate any duty imposed upon him by the Uniform Disposition of Unclaimed Property Act "to such division officers or other agency employees as he deems appropriate." Section 447.583, RSMo Supp. 1984, authorizes reciprocal agreements with other states with respect to information relating to abandoned property and the collection of abandoned property. However, in the premises, no express or implied authority appears to exist for contracting with independent contractors to collect unclaimed property. Cf., Section 140.850, RSMo Supp. 1984, relating to out of state delinquent tax collections for the director of the Department of Revenue.

Mr. Carl M. Koupal, Jr.

The situation is similar to that found in Thatcher v. City of St. Louis, 343 Mo. 597, 122 S.W.2d 915 (1938). Therein the court found that the Attorney General had the authority to employ special assistants with limited or special authority, see State on inf. McKittrick ex rel. Handlan v. Wilkie Land Co., 165 S.W.2d 432, 434 (Mo.App., St. L. 1942), but that there was nothing authorizing such special assistants to be paid from the proceeds of the litigation. We find nothing allowing private collection agencies to be compensated from the proceeds of the unclaimed property collected.

It is therefore the opinion of this office that the Director may not enter into an independent contractor relationship with a "company" for the purpose of collecting unclaimed property; the Director may hire special employees who are delegated collection functions under Section 447.572, RSMo Supp. 1984; these special employees may not be compensated from the proceeds of the funds collected.

Very truly yours,



WILLIAM L. WEBSTER
Attorney General