

MAINE STATE LEGISLATURE

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STATE OF MAINE

REPORT

OF THE

ATTORNEY GENERAL

for the calendar years
1951 - 1954

December 14, 1951

To Frank S. Carpenter, Treasurer of State
Re: Escheat of Unclaimed Dividends of Closed Banks

. . . Section 69 of Chapter 55, R. S. 1944, provides that when the receivership of a savings bank is ended, the Court may order the receiver to pay into the State treasury such funds as represent liquidating dividends that remain unpaid or unclaimed.

You ask: "Does the court lose control of them (the funds) after 20 years and are they escheated to the state without any direction from the court or should we receive from the court an order instructing us to close the trust and escheat the funds to the state?"

We direct your attention to Section 71 of Chapter 55, R. S. 1944, which section provides that all claims not presented to the commissioners within the time fixed by the court or litigated as aforesaid (as provided under Section 69) are forever barred.

It is our opinion that in view of Section 71 such money would automatically escheat to the State after 20 years, for which period the funds are held in trust for possible claimants. In other words, Section 71 provides that the escheat is a self-executing thing, and the money automatically escheats to the State after 20 years without court action.

JAMES G. FROST
Assistant Attorney General

December 14, 1951

To John H. Maasen, Jr., Biologist, Inland Fisheries and Game
Re: Land Purchases

We have your memo of December 3, 1951, in which you ask if it is possible for the State to purchase land from a municipality and refund to the town a percentage of the net profit derived from the products of the land after the State has purchased it, as is done by the Federal Government under a provision seen in 16 U.S.C., Section 500.

It is our opinion that before the State can purchase land and turn back to the municipal vendor a percentage of the profits derived by the State such recovery back must first be authorized by legislative enactment. Consequently we do not feel that such a matter can properly be requested of the Governor and Council, but feel that is strictly a matter for the legislature.

Primarily, when anyone, individual, corporation or State, purchases land, entire title to that land vests in the purchaser, and other than the contracted purchase price no compensation can be demanded by the vendor. Therefore it would take legislative action to change this fundamental principle of law.

JAMES G. FROST
Assistant Attorney General