

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE  
4

5 Legislative Document

No. 1056

6  
7 H.P. 816

House of Representatives, March 4, 1983

8 Submitted by the Treasury Department pursuant to Joint Rule 24.

9 On Motion of Representative Brannigan of Portland, referred to the  
Committee on Business Legislation. Sent up for concurrence and ordered  
10 printed.

EDWIN H. PERT, Clerk

Presented by Representative Kilcoyne of Gardiner.

11 Cosponsors: Senator Twitchell of Oxford, Representative Norton of  
Biddeford and Representative Daggett of Manchester.

12 STATE OF MAINE  
13

14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-THREE  
16

17 AN ACT to Amend Maine's Abandoned  
18 Property Law.  
19

20 Be it enacted by the People of the State of Maine as  
21 follows:

22 Sec. 1. 33 MRSA §1304, as amended by PL 1979, c.  
23 123, §§1 and 2, is further amended to read:

24 §1304. Property held by financial institutions

25 1. Deposits and funds. Any demand, savings or  
26 matured time deposit in a financial institution, or  
27 any funds paid toward the purchase of shares or other  
28 interest in a financial institution shall be presumed  
29 abandoned if, within the preceding ~~10~~ 5 years the  
30 owner has not:

31 A. Increased or decreased the amount of the  
32 deposit, shares or claim, or presented to the

1 holder the passbook, evidence of deposit or other  
2 appropriate record for the crediting of interest  
3 or dividends;

4 B. Corresponded in writing with the holder con-  
5 cerning the deposit, shares or claim; nor

6 C. Otherwise indicated an interest in the  
7 deposit, shares or claim as evidenced by a writ-  
8 ing on file with the holder. A record of the  
9 sending of a Bureau of Internal Revenue Form  
10 1099, or its equivalent, to the owner and a  
11 record of its not being returned by the post  
12 office department shall be an indication of  
13 interest.

14 2. Written instruments. Any sum payable on a  
15 check certified in the State or on any written  
16 instrument, except a traveler's check or money order,  
17 issued in the State on which a financial institution  
18 is directly liable shall be presumed abandoned if,  
19 within ~~10~~ 5 years from the date payable, or from the  
20 date of issuance, if payable on demand, the owner has  
21 not:

22 A. Negotiated the instrument;

23 B. Corresponded in writing with the financial  
24 institution concerning it; nor

25 C. Otherwise indicated an interest as indicated  
26 by a writing on file with the financial institu-  
27 tion.

28 3. Traveler's checks. Any sum payable on a  
29 traveler's check ~~or money order~~ on which a financial  
30 institution or other business association is directly  
31 liable shall be presumed abandoned if, within 15  
32 years from the date payable, or from the date of  
33 issuance, if payable on demand, the owner has not:

34 A. Negotiated the instrument;

35 B. Corresponded in writing with the financial  
36 institution or other business association con-  
37 cerning it; nor

1 C. Otherwise indicated an interest as indicated  
2 by a writing on file with the financial institu-  
3 tion or other business association.

4 3-A. Money orders. Any sum payable on a money  
5 order on which a financial institution or other busi-  
6 ness association is directly liable shall be presumed  
7 abandoned if, within 7 years from the date payable,  
8 or from the date of issuance, if payable on demand,  
9 the owner has not:

10 A. Negotiated the instrument;

11 B. Corresponded in writing with the financial  
12 institution or other business association con-  
13 cerning it; or

14 C. Otherwise indicated an interest as indicated  
15 by a writing on file with the financial institu-  
16 tion or other business association.

17 4. Safe deposit box. Any funds or other personal  
18 property, tangible or intangible, contained in or  
19 removed from a safe deposit box or other safekeeping  
20 repository shall be presumed abandoned if the owner  
21 has not claimed the property within 10 5 years of the  
22 expiration of the lease, rental or other agreement.

23 5. Charges, interest or dividends on abandoned  
24 property.

25 A. Reasonable service charges may be levied  
26 against deposits or accounts during the period of  
27 inactivity as determined by the Superintendent of  
28 Banking prior to the application of the presump-  
29 tion of abandonment. The Superintendent of Bank-  
30 ing shall establish a maximum charge that may be  
31 reasonable under this paragraph.

32 B. Interest or dividends due on any deposits,  
33 accounts, funds or shares presumed to be aban-  
34 doned shall not be discontinued or diverted  
35 because of the inactivity or during the period  
36 prior to abandonment.

37 Sec. 2. 33 MRSa §1305, as enacted by PL 1977, c.  
38 707, §8, is amended to read:

1     §1305. Property held by life insurers

2           1. Funds owed under a policy or contract. Any  
3 funds held or owing by a life insurer that are due  
4 and payable under any life or endowment insurance  
5 policy or annuity contract which has matured or  
6 terminated shall be presumed abandoned if they have  
7 not been claimed or paid within ~~10~~ 5 years after  
8 becoming due or payable as established from the  
9 insurer's records. Funds payable according to the  
10 insurer's records are deemed due and payable although  
11 the policy or contract has not been surrendered as  
12 required.

13           2. Presumption of address of beneficiary. If a  
14 person other than the insured or annuitant is enti-  
15 tled to the funds and no address of the person is  
16 known to the insurer or if it is not definite and  
17 certain from the records of the insurer which person  
18 is entitled to the funds, it is presumed that the  
19 last known address of the person entitled to the  
20 funds is the same as the last known address of the  
21 insured or annuitant according to the records of the  
22 insurer.

23           3. Presumption of maturity. A life insurance  
24 policy not matured by actual proof of the death of  
25 the insured is deemed to be matured and the proceeds  
26 are deemed to be due and payable if the policy was in  
27 force when the insured attained the limiting age  
28 under the mortality table on which the reserve is  
29 based; unless the person appearing entitled thereto  
30 has, within the preceding ~~10~~ 5 years, assigned,  
31 readjusted or paid premiums on the policy, made pay-  
32 ments on a loan, or corresponded in writing with the  
33 life insurer concerning the policy.

34           **Sec. 3.** 33 MRSA §1306, sub-§1, as enacted by PL  
35 1977, c. 707, §8, is amended to read:

36           1. Funds owed under a policy or contract. Any  
37 funds held or owing by a fire, casualty, surety or  
38 any other insurer that are due and payable, as estab-  
39 lished from the records of the insurer, either to an  
40 insured, a principal or other claimant under any  
41 insurance policy or contract shall be presumed aban-  
42 doned if they have not been claimed or paid within ~~10~~

1 5 years after becoming due or payable. Funds payable  
2 according to the insurer's records are deemed due and  
3 payable although the policy or contract has not been  
4 surrendered as required.

5 Sec. 4. 33 MRSA §1307, as enacted by PL 1977, c.  
6 707, §8, is amended to read:

7 §1307. Property held by utilities

8 1. Deposits. Any deposit, advance, toll, collat-  
9 eral, security or other property held by a utility to  
10 secure payment or as an advance for services to be  
11 furnished shall be presumed abandoned if it has not  
12 been claimed or returned within ~~10~~ years one year  
13 after:

14 A. It was due to or demandable by the owner  
15 under the terms of the agreement; or

16 B. The termination of services to the owner.

17 2. Refunds. Any funds which a utility has been  
18 ordered to refund shall be presumed abandoned if they  
19 have not been claimed or paid within ~~10~~ years one  
20 year after the date they became payable in accordance  
21 with the final determination or order providing for  
22 the refund.

23 Sec. 5. 33 MRSA §1308, sub-§§1 and 2, as enacted  
24 by PL 1977, c. 707, §8, are amended to read:

25 1. Dividends. Any dividend, profit, distribu-  
26 tion, interest, payment on principal or other funds  
27 held or owing by a business association for or to its  
28 share holder, certificate holder, member, bondholder  
29 or other security holder, or a participating patron  
30 of a cooperative, shall be presumed abandoned if,  
31 within ~~10~~ 5 years after the date prescribed for  
32 delivery or payment, they have not been claimed or  
33 the owner has not corresponded in writing with the  
34 holder concerning these funds.

35 2. Stocks. Any intangible interest in a business  
36 association, as evidenced by stock records or member-  
37 ship records of the association, shall be presumed  
38 abandoned, and the business association shall be

1 deemed to be the holder thereof, if a dividend, dis-  
2 tribution, or other sum payable as a result of the  
3 interest has remained unclaimed by the owner for 5  
4 years and if, for ~~10~~ 5 years:

5 A. The owner of the interest has not ~~ela~~imed a  
6 communicated in writing with the business associ-  
7 ation concerning the dividend or other sum  
8 referred to in this subsection 1, or; and

9 B. The owner of the interest has not ~~corre-~~  
10 sponded in writing otherwise communicated with  
11 the business association ~~or~~ otherwise indicated  
12 an regarding the interest or such dividend or  
13 other sum, as evidenced by a memorandum or other  
14 record on file with the business association.

15 At the expiration of a 5-year period following the  
16 failure of the owner to claim a dividend, distribu-  
17 tion or other sum payable to the owner as a result of  
18 the interest, the interest is not presumed abandoned  
19 unless there have been at least 5 dividends, distri-  
20 butions or other sums paid during the period, none of  
21 which has been claimed by the owner. If 5 dividends,  
22 distributions or other sums are payable during the  
23 5-year period, the period leading to a presumption of  
24 abandonment commences on the date the first unclaimed  
25 dividend, distribution or other sum became due and  
26 payable. If 5 dividends, distributions or other sums  
27 are not payable during the presumptive period, the  
28 period continues to run until there have been 5 divi-  
29 dends, distributions or other sums that have not been  
30 claimed by the owner.

31 Sec. 6. 33 MRSA §1310, sub-§1, as enacted by PL  
32 1977, c. 707, §8, is amended to read:

33 1. Property. All property held in a fiduciary  
34 capacity for the benefit of another person shall be  
35 presumed abandoned if, within ~~10~~ 5 years of it becom-  
36 ing payable or distributable, the owner has not:

37 A. Increased or decreased the principal;

38 B. Accepted payment of principal or income;

39 C. Corresponded in writing with the fiduciary  
40 concerning the property; nor

1 D. Otherwise indicated an interest as evidenced  
2 by a memorandum or other record on file with the  
3 fiduciary.

4 Sec. 7. 33 MRSA §1311, as enacted by PL 1977, c.  
5 707, §8, is amended to read:

6 §1311. Property held by governmental agents

7 All property, not otherwise covered in this chap-  
8 ter, and held for the owner by a court, public corpo-  
9 ration or authority, or agent or instrumentality of  
10 the United States, this State or any other state, or  
11 by a public officer or political subdivision thereof  
12 shall be presumed abandoned if it is not claimed  
13 within ~~10~~ years one year of becoming payable or dis-  
14 tributable.

15 Sec. 8. 33 MRSA §1311-A is enacted to read:

16 §1311-A. Unpaid wages

17 Unpaid wages, including wages represented by  
18 unpresented payroll checks, owing in the ordinary  
19 course of the holder's business which remain  
20 unclaimed by the owner for more than one year after  
21 becoming payable, are presumed abandoned.

22 Sec. 9. 33 MRSA §1312, sub-§1, as repealed and  
23 replaced by PL 1979, c. 641, §10, is amended to read:

24 1. Property. Any cash or sums payable on a writ-  
25 ten instrument ~~other than a money order or~~  
26 ~~traveller's check~~ not otherwise covered in this chap-  
27 ter, and all other personal property with a fair  
28 market value of \$1,000 or more not otherwise covered  
29 in this chapter, that is held or owing in the ordi-  
30 nary course of the holder's business shall be pre-  
31 sumed abandoned if it has not been claimed within ~~10~~  
32 5 years after becoming payable or distributable.  
33 ~~Section 1304, subsection 3, shall apply in the cases~~  
34 ~~of money orders or traveller's checks.~~

35 Sec. 10. 33 MRSA §1360, sub-§1, as enacted by PL  
36 1977, c. 707, §8, is amended to read:





1           6. Shortening the abandonment period increases  
2 drastically the amount of property escheated to the  
3 State. Similar legislation with other states has  
4 resulted in doubling the amount paid.

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