

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 114

H.P. 89

House of Representatives, January 9, 1997

An Act to Amend the Unclaimed Property Act.

Reference to the Committee on Business and Economic Development suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative MAYO of Bath.
Cosponsored by Senator SMALL of Sagadahoc and
Representative McALEVEY of Waterboro.

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

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4 **Sec. 1. 33 MRSA §1803, sub-§1**, as amended by PL 1991, c. 591,
Pt. R, §7, is further amended to read:

6 **1. Abandoned.** The following property is presumed abandoned:

8 A. Except as otherwise provided by this Act, or by Title
10 32, chapter 28, all intangible property, including any
12 income or increment derived from intangible property, less
14 any lawful charges, that is held, issued or owed in the
ordinary course of a holder's business and has remained
unclaimed by the owner for more than 5 2 years after it
became payable or distributable; and

16 B. Except as otherwise provided by this Act, all tangible
18 property that is held in the ordinary course of a holder's
business and has remained unclaimed by the owner for more
than 5 2 years after it became returnable.

20 **Sec. 2. 33 MRSA §1815, sub-§1**, as enacted by PL 1987, c. 691,
22 §4, is amended to read:

24 **1. Presumed abandoned.** A gift certificate or a credit
26 memo, issued in the ordinary course of an issuer's business,
which that remains unclaimed by the owner for more than 5 2 years
after becoming payable or distributable is presumed abandoned.

28 **Sec. 3. 33 MRSA §1815, sub-§3**, as enacted by PL 1987, c. 691,
30 §4, is repealed and the following enacted in its place:

32 **3. Requirements.** All issuers of gift certificates or
34 credit memos must obtain the name and address of the purchaser.

36 **Sec. 4. 33 MRSA §1851, sub-§2, ¶¶A and D**, as enacted by PL
1987, c. 691, §4, are amended to read:

38 A. Except with respect to traveler's checks, money orders
40 and gift certificates, the name, if known, and last known
address, if any, of each person appearing from the records
of the holder to be the owner of property of the value of
42 \$25 \$200 or more presumed abandoned under this Act;

44 D. The nature and identifying number, if any, or the
46 description of the property and the amount appearing from
the records to be due, but items of value under \$25 \$200
each may be reported in the aggregate;

48 **Sec. 5. 33 MRSA §1851, sub-§5, ¶C**, as enacted by PL 1987, c.
50 691, §4, is amended to read:

2 C. The property has a value of \$50 \$100 or more.

4 **Sec. 6. 33 MRSA §1864, sub-§5**, as enacted by PL 1987, c. 691,
§4, is amended to read:

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8 **5. Insufficient records.** If a holder fails after the
effective ~~date of this Act~~ October 1, 1997 to ~~maintain the~~
~~records report as~~ required by section 1851 and the records of the
10 holder available for the periods subject to this Act are
insufficient to permit the preparation of a report, the
12 administrator may require the holder to report ~~and pay such~~
~~amounts as may be reasonably estimated from any available~~
14 ~~records.~~ It is the administrator's burden to prove that
abandoned property that was not properly reported is being held
16 by the holder. A holder that does not maintain the records
required by this chapter may be subject to section 1868.

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20 **Sec. 7. 33 MRSA §1865, sub-§1**, as enacted by PL 1987, c. 691,
§4, is amended to read:

22 **1. Holder of property.** Every holder required to file a
report under section 1851 as to any property for which it has
24 obtained the last known address of the owner, shall maintain a
record of the name and last known address of the owner for 10 6
26 years after the property became or becomes reportable, except to
the extent that a shorter time is provided in subsection 2 or by
28 rule of the administrator.

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SUMMARY

34 This bill amends the Unclaimed Property Act as follows.

36 1. It reduces the general presumption of abandonment from 5
years to 2 years.

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40 2. It specifically reduces for gift certificates and credit
memos the presumption from 5 years to 2 years as well as requires
all issuers of gift certificates to keep records of purchasers
42 and their addresses.

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46 3. It requires holders of abandoned property to report the
names and addresses of last known owners whose property they
retain with a value over \$200. Currently that requirement
attaches for property with only a value of \$25.

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50 4. It raises the threshold for the ability to report, in
the aggregate, held property with individual values of under \$200
rather than the current \$25.

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5. It requires the administrator to prove that unclaimed property is being held by a holder before the administrator may fine the holder or business for not reporting. Currently, the administrator fines people, even if they do not hold abandoned property, for not reporting since the administrator presumes certain businesses must hold abandoned property.

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10 6. It reduces from 10 years to 6 years the length of time a business must maintain records. This time period equals the general statute of limitations.