

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

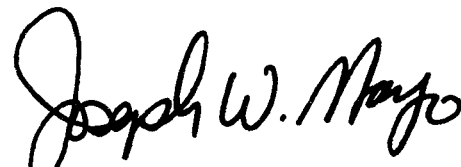
No. 289

H.P. 211

House of Representatives, January 11, 1999

**An Act to Amend the Uniform Unclaimed Property Act concerning
Tangible Property Held by Landlords or by State Institutions.**

Reference to the Committee on Judiciary suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative THOMPSON of Naples.

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

2
3 **Sec. 1. 33 MRSA §1954**, as enacted by PL 1997, c. 508, Pt. A,
4 §2 and affected by §3, is repealed and the following enacted in
5 its place:

6
7 **§1954. Property in safekeeping depository or held by landlord or**
8 **state institution**

10 **1. Contents of safe deposit box or other safekeeping**
11 **depository. Tangible property held in a safe deposit box or**
12 **other safekeeping depository in this State in the ordinary course**
13 **of the holder's business and proceeds resulting from the sale of**
14 **the property permitted by other law are presumed abandoned if the**
15 **property and proceeds remain unclaimed by the owner for more than**
16 **5 years after expiration of the lease or rental period on the box**
17 **or other depository.**

18
19 **2. Property held by landlords. Tangible property held by a**
20 **landlord that has been left on the premises after a tenant has**
21 **terminated tenancy or vacated the premises is presumed abandoned**
22 **if it has not been claimed within 14 days after written notice**
23 **has been sent by first class mail with proof of mailing to the**
24 **last known address of the tenant or if the tenant has not taken**
25 **possession of the property within 10 days after claiming**
26 **ownership.**

27 **A. Tangible property presumed to be abandoned under this**
28 **subsection that has a fair market value of \$500 or more must**
29 **be reported to the administrator as required by this Act.**
30 **If the administrator refuses delivery of the property and**
31 **authorizes a holder to sell that property, the landlord**
32 **shall sell the property in a commercially reasonable manner**
33 **in accordance with any requirements imposed by the**
34 **administrator.**

35 **(1) After the sale of the property, the landlord may**
36 **apply any proceeds from the sale to unpaid rent,**
37 **damages to the premises and the expenses of storage,**
38 **notice and sale. Any balance and the records of the**
39 **sale must be reported and delivered to the**
40 **administrator in accordance with the provisions of this**
41 **Act.**

42 **(2) The record of the sale must include the name of**
43 **the owner prior to the sale, a description of the**
44 **property, the proceeds of the sale, any deductions**
45 **authorized under subparagraph (1) and the balance**
46 **remaining.**

47 **B. Tangible property presumed to be abandoned under this**
48 **subsection may be sold by the landlord in accordance with**
49 **the provisions of this Act.**

2 Title 14, section 6013 if the fair market value of the
3 property left by the tenant is less than \$500.

4 3. Property held by state institutions. Tangible property,
5 other than prescription drugs, held by an institution under the
6 control of the Department of Mental Health, Mental Retardation
7 and Substance Abuse Services or the Department of Corrections
8 that has been left by a patient or inmate is presumed abandoned
9 if it is not claimed within one year after the patient's or
10 inmate's discharge from or death while residing in the
11 institution. Prescription drugs held by an institution under the
12 control of the Department of Mental Health, Mental Retardation
13 and Substance Abuse Services or the Department of Corrections
14 that are left by a patient or inmate are presumed abandoned upon
15 the death of the patient or inmate or if the drugs are not
16 claimed within 30 days of the patient's or inmate's discharge
17 from the institution.

18 A. Tangible property other than prescription drugs presumed
19 abandoned under this subsection may be sold by the head of
20 the institution at public auction.

21 (1) At least 14 days prior to the sale, the head of
22 the institution shall give notice to the owner:

23 (i) Either personally or by certified mail; or

24 (ii) If that notice cannot be given after one
25 reasonable attempt to do so, by publication in a
26 newspaper of general circulation in the county in
27 which the institution is located.

28 The notice must give a description of the property, the
29 institution at which it was left, the time and place of
30 the sale and the right to claim the property.

31 (2) The owner may claim this property at any time
32 prior to the actual sale.

33 (3) After sale, the head of the institution shall
34 record the name of the owner prior to the sale, a
35 description of the property, the institution at which
36 it was left and the proceeds of the sale.

37 (4) The proceeds of the sale and the records of the
38 sale must be reported and delivered to the
39 administrator in the same manner as property presumed
40 abandoned is reported and delivered.

41 B. Prescription drugs that are presumed abandoned under
42 this subsection must be disposed of in accordance with rules
43

2 established by the Board of Commissioners of the Profession
3 of Pharmacy.

4
5 **SUMMARY**

6
7 The purpose of this bill is to restore the provisions of the
8 abandoned property law governing property held by landlords or by
9 state institutions that were repealed when the 1995 Uniform
10 Unclaimed Property Act was adopted by the enactment of Public Law
11 1997, chapter 508. The provisions were found in former sections
12 1818 and 1819 of Title 33 of the Maine Revised Statutes.

13
14 Property left by a tenant is presumed abandoned when the
15 tenant is no longer living on the premises and after the landlord
16 has made reasonable attempts to notify the tenant that the
17 landlord is holding the tenant's property. The landlord must
18 report property worth \$500 or more to the unclaimed property
19 administrator within the office of the Treasurer of State. The
20 administrator may either accept delivery of the property or
21 authorize the landlord to sell the property in a commercially
22 reasonable manner. The landlord may use the proceeds to cover
23 any unpaid rent and damages to the property as well as expenses
24 of storage, notice and sale. Records of the sale and the
25 deductions and any remaining proceeds must be turned over to the
26 administrator. Property worth \$500 or less may be handled by the
27 landlord in much the same way.

28
29 Property left by a patient or inmate at an institution of
30 the Department of Mental Health, Mental Retardation and Substance
31 Abuse Services or the Department of Corrections is presumed
32 abandoned after one year. The head of the institution may sell
33 the property after providing notice to the owner. Records of the
34 sale and the proceeds must be turned over to the administrator.
35 Prescription drugs that are presumed abandoned must be disposed
36 of in accordance with rules established by the Board of
Commissioners of the Profession of Pharmacy.