

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

SECOND REGULAR SESSION-2020

Legislative Document

No. 1864

H.P. 1335

House of Representatives, December 23, 2019

An Act To Correct the Maine Revised Unclaimed Property Act To Reflect Recent Changes

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Clerk of the House on December 19, 2019. Referred to the Committee on Judiciary pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative CARDONE of Bangor.

1 **Emergency preamble. Whereas,** acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** Public Law 2019, chapter 496 enacted provisions in the Uniform
4 Unclaimed Property Act concerning the reporting and delivery to the Treasurer of State
5 of unclaimed funds in a lawyer's trust account, with those provisions taking effect
6 September 19, 2019; and

7 **Whereas,** Public Law 2019, chapter 498 repealed the existing Uniform Unclaimed
8 Property Act and replaced it with the Maine Revised Unclaimed Property Act, which took
9 effect October 1, 2019; and

10 **Whereas,** Public Law 2019, chapter 498 did not incorporate the changes made in
11 Public Law 2019, chapter 496; and

12 **Whereas,** this legislation amends the Maine Revised Unclaimed Property Act to
13 include the language approved by the Legislature that was abrogated as of October 1,
14 2019; and

15 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
16 the meaning of the Constitution of Maine and require the following legislation as
17 immediately necessary for the preservation of the public peace, health and safety; now,
18 therefore,

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

20 **Sec. 1. 33 MRSA §2052, sub-§13-A** is enacted to read:

21 **13-A. Lawyer's trust account.** "Lawyer's trust account" means a pooled trust
22 account managed pursuant to rules adopted by the Supreme Judicial Court that earns
23 interest or dividends at an eligible institution in which a lawyer or law firm holds funds
24 on behalf of a client or clients. These funds are small in amount or held for a short period
25 of time, such that the funds cannot earn interest or dividends for the client in excess of the
26 costs incurred to secure such interest or dividends. For the purpose of this subsection,
27 "eligible institution" means a financial organization meeting the requirements in rules
28 adopted by the Supreme Judicial Court.

29 **Sec. 2. 33 MRSA §2052, sub-§13-B** is enacted to read:

30 **13-B. Lawyer's trust account program manager.** "Lawyer's trust account
31 program manager" means an entity designated by the Supreme Judicial Court to manage
32 the lawyer's trust account program adopted by the Supreme Judicial Court.

33 **Sec. 3. 33 MRSA §2052, sub-§24, ¶B,** as enacted by PL 2019, c. 498, §22, is
34 amended to read:

35 B. Includes property referred to as or evidenced by:

36 (1) Money, interest or a dividend, check, draft, deposit or payroll card;

1 (2) A credit balance, customer's overpayment, stored-value obligation, security
2 deposit, refund, credit memorandum, unpaid wage, unused ticket for which the
3 issuer has an obligation to provide a refund, mineral proceeds or unidentified
4 remittance;

5 (3) A security, except for:

6 (a) A worthless security; or

7 (b) A security that is subject to a lien, legal hold or restriction evidenced on
8 the records of the holder or imposed by operation of law, if the lien, legal
9 hold or restriction restricts the holder's or owner's ability to receive, transfer,
10 sell or otherwise negotiate the security;

11 (4) A bond, debenture, note or other evidence of indebtedness;

12 (5) Money deposited to redeem a security, make a distribution or pay a dividend;

13 (6) An amount due and payable under an annuity contract or insurance policy;
14 and

15 (7) An amount distributable from a trust or custodial fund established under a
16 plan to provide a health, welfare, pension, vacation, severance, retirement, death,
17 stock purchase, profit sharing, employee savings, supplemental unemployment
18 insurance or similar benefit; and

19 (8) Funds in a lawyer's trust account; and

20 **Sec. 4. 33 MRSA §2054**, as enacted by PL 2019, c. 498, §22, is amended to read:

21 **§2054. Rulemaking**

22 The administrator may adopt rules to implement and administer this Act. Rules
23 adopted pursuant to this section are routine technical rules as defined in Title 5, chapter
24 375, subchapter 2-A. In addition, the Supreme Judicial Court may adopt rules for the
25 provisions of this Act relating to lawyer's trust accounts.

26 **Sec. 5. 33 MRSA §2061, sub-§15**, as enacted by PL 2019, c. 498, §22, is
27 amended to read:

28 **15. Property not specified.** Property not specified in this section or sections 2062 to
29 2072, including funds in a lawyer's trust account, 3 years after the owner first has a right
30 to demand the property or the obligation to pay or distribute the property arises,
31 whichever is earlier.

32 **Sec. 6. 33 MRSA §2113, sub-§9** is enacted to read:

33 **9. Payment of certain funds presumed abandoned in lawyer's trust accounts.**
34 Notwithstanding any other provision in this chapter to the contrary, a lawyer, law firm or
35 financial institution holding funds presumed abandoned in a lawyer's trust account for
36 which no identifying client information can be found shall file a report with the
37 administrator pursuant to section 2091, subsection 1 and then transfer such funds, along
38 with a copy of the report, to the lawyer's trust account program manager to provide

1 funding to organizations whose primary purpose is to provide civil legal aid to low-
2 income residents of the State.

3 **Emergency clause.** In view of the emergency cited in the preamble, this
4 legislation takes effect when approved.

5 **SUMMARY**

6 This bill amends the Maine Revised Unclaimed Property Act to clarify the procedure
7 for disposing of funds presumed abandoned in a lawyer's trust account.