

HOUSE BILL NO. 434

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/19/96

Referred: State Affairs, Labor and Commerce, Judiciary

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to unclaimed property; and providing for an effective date."

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** AS 34.45.200(e) is amended to read:

4 (e) This section **applies** [DOES NOT APPLY] to a stock or other intangible
5 ownership interest enrolled in a plan that provides for the automatic reinvestment of
6 dividends, distributions, or other money payable as a result of the interest **if** [,
7 UNLESS THE RECORDS AVAILABLE TO THE ADMINISTRATOR OF THE
8 PLAN SHOW, WITH RESPECT TO ANOTHER INTANGIBLE OWNERSHIP
9 INTEREST NOT ENROLLED IN THE REINVESTMENT PLAN, THAT] the owner
10 has not within seven years communicated in a manner described in (a) of this section
11 **or seven years after the date of the second mailing of a statement of account or**
12 **other notification or communication that was returned as undeliverable or after**
13 **the holder discontinued mailings, notifications, or communications to the apparent**
14 **owner.**

15 * **Sec. 2.** AS 34.45.280(b) is amended to read:

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(b) The report must be verified and must include

(1) except with respect to traveler's checks and money orders, 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, the value of which is \$100 [\$25] or more, presumed abandoned under AS 34.45.110 - 34.45.430 and other statutes specifically made subject to this reporting requirement;

(2) in the case of unclaimed money amounting to \$100 [\$50] or more, held or owing under a life or endowment insurance policy or annuity contract, the full name and last known address of the insured or annuitant and of the beneficiary or other person who is entitled to the proceeds according to the records of the insurance company holding or owing the funds;

(3) in the case of the contents of a safe deposit box or other safekeeping repository or of other tangible personal property, a description of the property and the place where it is held and may be inspected by the department, and any amounts owing to the holder;

(4) the nature and identifying number, if any, or description of the property and the amount appearing from the records to be due; items of value under \$100 [\$25] each may be reported in the aggregate;

(5) the date the property became payable, demandable, or returnable, and the date of the last transaction with the apparent owner with respect to the property; and

(6) other information that the department prescribes by regulation as necessary for the administration of this chapter.

* **Sec. 3.** AS 34.45.280(d) is amended to read:

(d) The report required under (a) of this section shall be filed before November 1 of each year for unclaimed property held as of June 30 of that year [, BUT THE REPORT OF A LIFE INSURANCE COMPANY SHALL BE FILED BEFORE MAY 1 OF EACH YEAR FOR UNCLAIMED PROPERTY HELD AS OF DECEMBER 31 OF THE PRECEDING YEAR]. On written request by a person required to file a report, the commissioner may postpone the reporting date.

* **Sec. 4.** AS 34.45.280(e) is amended to read:

1 (e) Not more than 120 days before filing the report required by this section,
2 the holder in possession of property presumed abandoned and subject to custody as
3 unclaimed property under AS 34.45.110 - 34.45.430 shall send written notice to the
4 apparent owner at the owner's last known address informing the owner that the holder
5 is in possession of property subject to this chapter if

6 (1) the holder has in its records an address for the apparent owner that
7 the holder believes to be accurate;

8 (2) the claim of the apparent owner is not barred by the statute of
9 limitations; and

10 (3) the property has a value of \$100 [\$50] or more.

11 * **Sec. 5.** AS 34.45.310(a) is amended to read:

12 (a) The department shall publish a notice not later than the **June 30** [MARCH
13 1] following the submission of the report required by AS 34.45.280 [, OR IN THE
14 CASE OF PROPERTY REPORTED BY LIFE INSURANCE COMPANIES, NOT
15 LATER THAN THE SEPTEMBER 1 FOLLOWING THE SUBMISSION OF THE
16 REPORT]. The notice shall be published at least once a week for two consecutive
17 weeks in a newspaper of general circulation in the area of the state in which the last
18 known address of a person to be named in the notice is located. If no address is listed
19 or the address is outside the state, the notice shall be published in a newspaper of
20 general circulation in the area in which the holder of property has its principal place
21 of business in the state.

22 * **Sec. 6.** AS 34.45.310(b) is amended to read:

23 (b) The published notice must be entitled "Notice of Names of Persons
24 Appearing to be Owners of Abandoned Property" and must contain

25 (1) the names, in alphabetical order, [AND LAST KNOWN ADDRESS,
26 IF ANY,] of persons listed in the reports and entitled to notice within the area as
27 specified in (a) of this section;

28 (2) a statement that information concerning the property [AND THE
29 NAME AND LAST KNOWN ADDRESS OF THE HOLDER] may be obtained by
30 addressing an inquiry to the department [; AND

31 (3) A STATEMENT THAT IF PROOF OF CLAIM IS NOT

1 PRESENTED BY THE OWNER TO THE HOLDER, AND THE OWNER'S RIGHT
2 TO RECEIVE THE PROPERTY IS NOT ESTABLISHED TO THE HOLDER'S
3 SATISFACTION BEFORE APRIL 20 OF THE YEAR OF PUBLICATION, OR, IN
4 THE CASE OF PROPERTY REPORTED BY A LIFE INSURANCE COMPANY,
5 BEFORE OCTOBER 20, THE PROPERTY WILL BE PLACED NOT LATER THAN
6 MAY 1 OF THAT YEAR, OR IN THE CASE OF PROPERTY REPORTED BY A
7 LIFE INSURANCE COMPANY, NOT LATER THAN NOVEMBER 1, IN THE
8 CUSTODY OF THE DEPARTMENT AND ALL FURTHER CLAIMS SHALL BE
9 DIRECTED TO THE DEPARTMENT AFTER THAT PLACEMENT].

10 * **Sec. 7.** AS 34.45.310(c) is amended to read:

11 (c) The department is not required to publish in the notice an item of less than
12 **\$100** [\$50] in value unless the department considers the publication of the item to be
13 in the public interest.

14 * **Sec. 8.** AS 34.45.320(a) is amended to read:

15 (a) Except as otherwise provided in (b) [AND (c)] of this section, a person
16 who is required to file a report under AS 34.45.280, shall **at the time of filing the**
17 **report under that section, pay or deliver to the administrator all of the property**
18 **shown on the report and remaining unclaimed by the apparent owner. Upon**
19 **written request showing good cause, the administrator may postpone the payment**
20 **or delivery upon such terms or conditions as the administrator considers**
21 **necessary and appropriate. The property paid or delivered to the administrator**
22 **shall include all interest, dividends, increments, and accretions due, payable, or**
23 **distributable on the property at the time of filing the report. If payment or**
24 **delivery is postponed, the property paid or delivered to the administrator shall**
25 **include all interest, dividends, increments, and accretions due, payable, or**
26 **distributable on the day that the property is paid or delivered to the**
27 **administrator** [WITHIN SIX MONTHS AFTER THE FINAL DATE FOR FILING
28 THE REPORT UNDER THAT SECTION, PAY OR DELIVER TO THE
29 DEPARTMENT ALL ABANDONED PROPERTY REQUIRED TO BE REPORTED].

30 * **Sec. 9.** AS 34.45.700 is repealed and reenacted to read:

31 Sec. 34.45.700. AGREEMENT TO LOCATE REPORTED PROPERTY. (a)

1 An agreement to pay compensation to locate, deliver, recover, or assist in the recovery
2 of property reported under AS 34.45.280 while in the possession of a holder is
3 unenforceable if made

4 (1) before the date payment or delivery is made under AS 34.45.320;
5 or

6 (2) within 24 months after the date payment or delivery is made under
7 AS 34.45.320.

8 (b) An agreement executed after the 24-month period is enforceable only if

9 (1) the fee or compensation is not more than 10 percent of the value
10 of the property; and

11 (2) the agreement is in writing, signed by the apparent owner, does not
12 exceed six months, and specifies the fees to be charged, nature and value of the
13 property, and the value of the apparent owner's share after the fee or compensation is
14 deducted.

15 (c) This section does not preclude an owner from asserting that an agreement
16 to locate property is otherwise invalid.

17 * **Sec. 10.** AS 34.45.760(3) is amended to read:

18 (3) "business association" means a nonpublic corporation, joint stock
19 company, investment company, business trust, **mutual fund, joint venture, limited**
20 **liability company**, partnership, or association for business purposes **or other business**
21 **entity** of **one** [TWO] or more individuals, whether or not for profit, including a
22 banking organization, financial organization, insurance company, or utility;

23 * **Sec. 11.** AS 34.45.310(d), 34.45.310(e), and 34.45.320(c) are repealed.

24 * **Sec. 12.** This Act takes effect July 1, 1996.