

Accompanying the second recommendation of the Department of the State Treasurer (House, No. 267). The Judiciary.

**The Commonwealth of Massachusetts**

In the Year One Thousand Nine Hundred and Eighty-Six.

AN ACT FURTHER AMENDING THE LAW RELATIVE TO ABANDONED PROPERTY.

1       *Whereas*, the deferred operation of this act would tend to defeat  
2 its purpose, to place abandoned property in the custody of the  
3 State Treasurer, therefore it is hereby declared to be an emergency  
4 law, necessary for the immediate preservation of the public con-  
5 venience.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1       SECTION 1. Section 3 of chapter 200A, of the General Laws, is  
2 hereby amended by adding at the end thereof the following new  
3 subparagraphs: —

4       (5) owned other property for which subparagraphs (1), (2), (3)  
5 or (4) is applicable. Provided that the holder communicates in  
6 writing with the owner with regard to the property that would  
7 otherwise be presumed abandoned under this section at the address  
8 at which communications regarding the other property regularly  
9 are received;

10       (6) had another relationship with the holder concerning which  
11 the owner has:

12       (ii) otherwise indicated an interest as evidenced by a memorandum  
13 on file prepared by an employee of the holder, if the holder  
14 communicates in writing with the owner with regard to the property  
15 that would otherwise be presumed abandoned under this section  
16 at the address at which communications regarding the other rela-  
17 tionship regularly are received.

1 SECTION 2. Said chapter 200A is hereby amended by insert-  
2 ing the following section: —

3 *Section 3A.* The abandonment period of any property de-  
4 scribed in section 3 that is automatically renewable shall commence  
5 upon the expiration of its initial time period except that, in the case  
6 of any renewal to which the owner consents at or about the time of  
7 renewal by communicating in writing with the person holding the  
8 property or otherwise indicating such consent as evidenced by a  
9 memorandum on file prepared by an employee, the abandonment  
10 period shall commence upon the expiration of the last time period  
11 for which consent was given.

1 SECTION 3. Clause (1) of subsection (b) of section 7 of said  
2 chapter 200A, as so appearing, is hereby amended by striking out,  
3 in line 5, the word “twenty-five” and inserting in place thereof the  
4 word: — fifty.

1 SECTION 4. Clause (3) of subsection (b) of section 7 of said  
2 chapter 200A, as so appearing, is hereby amended by striking out,  
3 in lines 3 and 4 the words “twenty-five dollars each may” and  
4 inserting in place thereof the words: — fifty dollars each shall.

1 SECTION 5. Section 7A of said chapter 200A, is hereby further  
2 amended by striking out section 7A and inserting in place thereof  
3 the following section: —

4 *Section 7A.* Notice to Owners. If the person in possession of  
5 property in an amount of ten dollars or more presumed abandoned  
6 under this chapter has the last known address of the apparent  
7 owner which the person’s records do not disclose to be inaccurate,  
8 the holder shall at least sixty (60) days before filing the annual  
9 report send a notice by first class mail to inform the owner of the  
10 process necessary to rebut the presumption of abandonment.

1 SECTION 6. Section 8 of said chapter 200A, as so appearing is  
2 hereby amended by striking out subsection (d) and inserting in  
3 place thereof the following subsection: —

4 (d) The treasurer is not required to publish in such notice any  
5 items of less than fifty dollars value unless he deems such publica-  
6 tion to be in the public interest.

1 SECTION 7. Section 8A of said chapter 200A, as so appearing,  
2 is hereby amended by striking out subsection (c) and inserting in  
3 place thereof the following subsection: —

4 (c) In the case of sums payable on traveler's checks, registered  
5 checks and money orders presumed abandoned under section 6B,  
6 or any sums reported pursuant to section 7(b) (1) and (2) which are  
7 less than fifty dollars or any other sums for which the person  
8 holding the property does not know the names of the owner, such  
9 sums shall be paid to the treasurer at the time of filing the report.

1 SECTION 8. Section 9 of said chapter 200A, as so most recent-  
2 ly amended by section 8 of chapter 277 of the acts of 1969, is hereby  
3 amended by striking out subsection (b) and inserting in place  
4 thereof, the following subsection: —

5 (b) The state treasurer shall proceed with the liquidation of  
6 property not earlier than one year after its delivery to him under the  
7 provisions of the chapter except that property presumed aban-  
8 doned pursuant to subparagraph (b) of section 5B shall not be  
9 liquidated earlier than three years after it was delivered unless the  
10 treasurer shall in his opinion find it is in the best interests of the  
11 state to do so. If the treasurer sells any securities delivered pursu-  
12 ant to section 5B before the expiration of the three year period,  
13 any person making a claim pursuant to this act before the end of  
14 the three year period is entitled to either the proceeds of the sale of  
15 the securities or the market value of the securities at the time the  
16 claim is made, whichever amount is greater. A person making a  
17 claim under this act after the expiration of this period is entitled to  
18 receive either the securities delivered to the treasurer by the holder,  
19 if they still remain in the hands of the treasurer, or the proceeds  
20 received from sale, but no person has any claim under this act  
21 against the state, the holder, any transfer agent, registrar, or other  
22 person acting for or on behalf of a holder for any appreciation in  
23 the value of the property occurring after delivery by the holder to  
24 the treasurer.

1 SECTION 9. Said chapter 200A, is hereby amended by insert-  
2 ing the following section: —

3 Section 10A. Whenever any property is paid or delivered to the  
4 treasurer other than money under this act, the treasurer, upon

5 receipt, shall credit to the owner's account any dividends, interest  
6 or other increments realized or accruing on the property at or  
7 before liquidation or conversion thereof into money.

1 SECTION 10. Said chapter 200A is hereby amended by adding  
2 after subsection 10(g) the following new subsection: —

3 10(h) If the claim is for property presumed abandoned under  
4 section 5B which was sold by the treasurer within three years after  
5 the date of delivery, the amount payable for that claim is the value  
6 of the property at the time the claim was made or the net proceeds  
7 of sale, whichever is greater.

1 SECTION 11. Said chapter 200A is hereby amended by strik-  
2 ing out subsection 15(B) and inserting the following subsection: —

3 15(B) The holder of an interest under section 5B shall deliver a  
4 duplicate certificate or other evidence of ownership if the holder  
5 does not issue certificates of ownership to the treasurer. Upon  
6 delivery of a duplicate certificate to the treasurer, the holder and  
7 any transfer agent, registrar, or other person acting for or on behalf  
8 of a holder in executing or delivering the duplicate is relieved of all  
9 liability of every kind in accordance with the provisions of section  
10 15D to every person, including any person acquiring the original  
11 certificate or the duplicate of the certificate issued to the treasurer,  
12 for any losses or damages resulting to any person by the issuance  
13 and delivery to the treasurer of the duplicate certificate.

1 SECTION 12. Said chapter 200A is hereby amended by adding  
2 after section 15C the following new section: —

3 15D (1) If the holder pays or delivers property to the treasurer in  
4 good faith and thereafter another person claims the property from  
5 the holder or another state claims the money or property under its  
6 laws relating to escheat or abandoned or unclaimed property, the  
7 Commonwealth, upon written notice of the claim to the treasurer,  
8 shall defend the holder against the claim and indemnify the holder  
9 against any liability on the claim.

10 (2) For the purposes of this section "good faith" means that:

11 (1) payment or delivery was made in a reasonable attempt to  
12 comply with this chapter;

13 (2) the person delivering the property was not a fiduciary then in  
14 breach of trust in respect to the property and had a reasonable basis  
15 for believing, based on the facts then known to him, that the  
16 property was abandoned for the purposes of this chapter; and  
17 (3) there is no showing that the records pursuant to which the  
18 delivery was made did not meet reasonable commercial standards  
19 of practice in the industry.

The first part of the report is devoted to a general  
 description of the country and its resources. It  
 is followed by a detailed account of the  
 various industries and occupations of the  
 people. The report concludes with a summary  
 of the principal facts and a list of the  
 names of the persons who have been  
 employed in the service of the  
 government.

The second part of the report is devoted to a  
 description of the various industries and  
 occupations of the people. It is followed  
 by a detailed account of the various  
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 summary of the principal facts and a  
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