

Senate Bill 263

In The Senate

January 23, 1981	Introduced and referred to Committee on Business and Industry.
February 9, 1981	Committee recommend bill do not pass.

Speaker BILL NO. 263

INTRODUCED BY Thomas Turnage

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR
5 FORFEITURE OF UNCLAIMED DISTRIBUTIONS OR PAYMENTS OR
6 UNREDEEMED CAPITAL CREDITS OF RURAL ELECTRIC AND TELEPHONE
7 COOPERATIVES."

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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Distribution of unclaimed proceeds. (1) The
11 board of trustees of any cooperative organized under this
12 chapter or subject to this chapter may declare forfeiture of
13 any of the following items which have not been claimed or
14 redeemed within 6 years after the date authorized for
15 retirement or payment in cash or other property:

16 (a) any distribution of proceeds of the cooperative;
17 (b) any payment based upon a security by the
18 cooperative;

19 (c) any capital credits of a member.

20 (2) Any amount forfeited shall revert to the
21 cooperative as contributed capital if, at least 6 months
22 prior to the declared date of forfeiture, notice that such
23 payment was available was mailed to the last-known address
24 of the person shown by the records to be entitled thereto
25 or, if the address was unknown, notice was published at

1 least once a month for 4 months both in a publication
2 circulated among members of the cooperative in the area, if
3 any, and in a newspaper of general circulation in the area.

4 (3) Any funds so forfeited and reverted may be used
5 for any proper cooperative purpose, except no such funds
6 shall ever be assignable or paid to any other patron or
7 patrons of the cooperative.

8 (4) This section applies to all such payments whether
9 authorized before or after [the effective date of this act].

10 Section 2. Codification instruction. Section 1 is
11 intended to be codified in Title 35, chapter 18, part 3, and
12 the provisions of Title 35, chapter 18, apply to section 1.

-End-

INTRODUCED BILL

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