

HOUSE BILL NO. 480

INTRODUCED BY KNAPP, KIMBERLEY, T. NELSON, R. NELSON,
MERCER, SPAETH, VAN VALKENBURG

IN THE HOUSE

JANUARY 28, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON JUDICIARY.
JANUARY 30, 1989	FIRST READING.
FEBRUARY 10, 1989	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 11, 1989	PRINTING REPORT.
FEBRUARY 13, 1989	SECOND READING, DO PASS.
FEBRUARY 14, 1989	ENGROSSING REPORT.
FEBRUARY 15, 1989	THIRD READING, PASSED. AYES, 97; NOES, 0.
	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 16, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
	FIRST READING.
MARCH 3, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 4, 1989	SECOND READING, CONCURRED IN.
MARCH 7, 1989	THIRD READING, CONCURRED IN. AYES, 50; NOES, 0.
	RETURNED TO HOUSE.

MARCH 8, 1989

IN THE HOUSE

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *HOUSE* BILL NO. *480*
2 INTRODUCED BY *Roger Knapp Kimberley Sam Nelson*
3 *R. Nelson Marcel Spaulth Van Vleet King*
4 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING WHEN ITEMS
5 HELD IN ESCROW BY A FINANCIAL ORGANIZATION OR BUSINESS
6 ASSOCIATION MAY BE PRESUMED ABANDONED; AND AMENDING SECTION
7 70-9-201, MCA."
8

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

10 **Section 1.** Section 70-9-201, MCA, is amended to read:

11 "70-9-201. Property held by banking or financial
12 organization or business association. The following property
13 held or owing by a banking or financial organization or by a
14 business association is presumed abandoned:

15 (1) any demand, savings, or matured time deposit made
16 in this state with a banking organization, together with any
17 interest or dividend thereon, excluding any charges that may
18 lawfully be withheld, unless the owner has within 5 years:

19 (a) increased or decreased the amount of the deposit
20 or presented the passbook or other similar evidence of the
21 deposit for the crediting of interest;

22 (b) corresponded in writing with the banking
23 organization concerning the deposit; or

24 (c) otherwise indicated an interest in the deposit as
25 evidenced by a memorandum on file with the banking

1 organization;

2 (2) any funds paid in this state toward the purchase
3 of shares or other interest in a financial organization or
4 any deposit made therewith in this state and any interest or
5 dividends thereon, excluding any charges that may lawfully
6 be withheld, unless the owner has within 5 years:

7 (a) increased or decreased the amount of the funds or
8 deposit or presented an appropriate record for the crediting
9 of interest or dividends;

10 (b) corresponded in writing with the financial
11 organization concerning the funds or deposit; or

12 (c) otherwise indicated an interest in the funds or
13 deposit as evidenced by a memorandum on file with the
14 financial organization;

15 (3) any sum payable on checks certified in this state
16 or on written instruments issued in this state on which a
17 banking or financial organization or business association is
18 directly liable, including, by way of illustration but not
19 of limitation, certificates of deposit, drafts, money
20 orders, and travelers' checks that, with the exception of
21 travelers' checks, has been outstanding for more than 5
22 years from the date it was payable or from the date of its
23 issuance if payable on demand or, in the case of travelers'
24 checks, that has been outstanding for more than 15 years
25 from the date of its issuance unless the owner has within 5

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1 years or within 15 years in the case of travelers' checks
2 corresponded in writing with the banking or financial
3 organization or business association concerning it or
4 otherwise indicated an interest as evidenced by a memorandum
5 on file with the banking or financial organization or
6 business association;

7 (4) any funds or other personal property, tangible or
8 intangible, removed from a safe deposit box or any other
9 safekeeping repository or agency or collateral deposit box
10 in this state on which the lease or rental period has
11 expired due to nonpayment of rental charges or other reason
12 or any surplus amounts arising from the sale thereof
13 pursuant to law that have been unclaimed by the owner for
14 more than 5 years from the date on which the lease or rental
15 period expired;

16 (5) any funds, documents, or other items of personal
17 property held in escrow that have been unclaimed by parties
18 to the escrow agreement for a period of 5 years from the
19 date on which full performance of the escrow agreement was
20 to have been completed or for a period of 5 years from the
21 date of the initial defaulted payment in a continuous series
22 of defaulted payments due pursuant to the escrow agreement."

-End-

APPROVED BY COMMITTEE
ON JUDICIARY

HOUSE BILL NO. 480

INTRODUCED BY KNAPP, KIMBERLEY, T. NELSON, R. NELSON,

MERCER, SPAETH, VAN VALKENBURG

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING WHEN ITEMS
HELD IN ESCROW BY A FINANCIAL ORGANIZATION OR BUSINESS
ASSOCIATION MAY BE PRESUMED ABANDONED; AND AMENDING SECTION
70-9-201, MCA."

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Section 1. Section 70-9-201, MCA, is amended to read:

"70-9-201. Property held by banking or financial
organization or business association. The following property
held or owing by a banking or financial organization or by a
business association is presumed abandoned:

(1) any demand, savings, or matured time deposit made
in this state with a banking organization, together with any
interest or dividend thereon, excluding any charges that may
lawfully be withheld, unless the owner has within 5 years:

(a) increased or decreased the amount of the deposit
or presented the passbook or other similar evidence of the
deposit for the crediting of interest;

(b) corresponded in writing with the banking
organization concerning the deposit; or

(c) otherwise indicated an interest in the deposit as

evidenced by a memorandum on file with the banking
organization;

(2) any funds paid in this state toward the purchase
of shares or other interest in a financial organization or
any deposit made therewith in this state and any interest or
dividends thereon, excluding any charges that may lawfully
be withheld, unless the owner has within 5 years:

(a) increased or decreased the amount of the funds or
deposit or presented an appropriate record for the crediting
of interest or dividends;

(b) corresponded in writing with the financial
organization concerning the funds or deposit; or

(c) otherwise indicated an interest in the funds or
deposit as evidenced by a memorandum on file with the
financial organization;

(3) any sum payable on checks certified in this state
or on written instruments issued in this state on which a
banking or financial organization or business association is
directly liable, including, by way of illustration but not
of limitation, certificates of deposit, drafts, money
orders, and travelers' checks that, with the exception of
travelers' checks, has been outstanding for more than 5
years from the date it was payable or from the date of its
issuance if payable on demand or, in the case of travelers'
checks, that has been outstanding for more than 15 years

from the date of its issuance unless the owner has within 5 years or within 15 years in the case of travelers' checks corresponded in writing with the banking or financial organization or business association concerning it or otherwise indicated an interest as evidenced by a memorandum on file with the banking or financial organization or business association;

(4) any funds or other personal property, tangible or intangible, removed from a safe deposit box or any other safekeeping repository or agency or collateral deposit box in this state on which the lease or rental period has expired due to nonpayment of rental charges or other reason or any surplus amounts arising from the sale thereof pursuant to law that have been unclaimed by the owner for more than 5 years from the date on which the lease or rental period expired;

(5) any funds, documents, or other items of personal property, TANGIBLE OR INTANGIBLE, held in escrow that have been unclaimed by parties to the escrow agreement for a period of 5 years from the date on which full performance of the INSTRUMENT HELD IN escrow agreement was to have been completed or for a period of 5 years from the date of the initial defaulted payment in a continuous series of defaulted payments due pursuant to the INSTRUMENT HELD IN escrow agreement."

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16 period expired;

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19 been unclaimed by parties to the escrow agreement for a
20 period of 5 years from the date on which full performance of
21 the INSTRUMENT HELD IN escrow agreement was to have been
22 completed or for a period of 5 years from the date of the
23 initial defaulted payment in a continuous series of
24 defaulted payments due pursuant to the INSTRUMENT HELD IN
25 escrow agreement."

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