

HOUSE BILL No. 4105

February 6, 1991, Introduced by Rep. Jondahl and referred to the Committee on Taxation.

A bill to amend sections 1, 2, 4, 5, 6, 7a, 10, 11, 26, 28, 37, 53, and 56 of Act No. 329 of the Public Acts of 1947, entitled as amended

"The Michigan code of escheats,"

section 5 as amended by Act No. 173 of the Public Acts of 1990 and section 53 as amended by Act No. 96 of the Public Acts of 1983, being sections 567.11, 567.12, 567.14, 567.15, 567.16, 567.17a, 567.20, 567.21, 567.36, 567.38, 567.47, 567.63, and 567.66 of the Michigan Compiled Laws; to add sections 4a, 4b, 4c, 4d, and 4e; and to repeal certain acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 1, 2, 4, 5, 6, 7a, 10, 11, 26, 28, 37,
2 53, and 56 of Act No. 329 of the Public Acts of 1947, section 5
3 as amended by Act No. 173 of the Public Acts of 1990 and
4 section 53 as amended by Act No. 96 of the Public Acts of 1983,

1 being sections 567.11, 567.12, 567.14, 567.15, 567.16, 567.17a,
 2 567.20, 567.21, 567.36, 567.38, 567.47, 567.63, and 567.66 of the
 3 Michigan Compiled Laws, are amended and sections 4a, 4b, 4c, 4d,
 4 and 4e are added to read as follows:

5 Sec. 1. ~~That the~~ THE attorney general of this state shall
 6 ~~, as hereinafter provided, except as to those powers and duties~~
 7 ~~vested by the constitution or general laws of this state or the~~
 8 ~~provisions of this act in the state board of escheats,~~ take
 9 charge of all matters pertaining to lands or other property
 10 ~~which~~ THAT is subject to escheat or IS escheatable ~~, by reason~~
 11 ~~of~~ BECAUSE the owner ~~thereof having~~ died intestate ~~, leaving~~
 12 no known heirs-at-law, ~~, or, by reason of~~ the owner ~~thereof~~
 13 ~~having~~ disappeared or ~~being~~ IS missing from his OR HER last
 14 known place of residence for a continuous period of ~~7~~ 3 years
 15 or more ~~, leaving no known heirs-at-law, , or by reason of~~ OR
 16 the owner ~~thereof having~~ abandoned ~~such~~ THE property.

17 Sec. 2. (1) The state board of escheats is created, com-
 18 posed of the attorney general, the secretary of state, and the
 19 state treasurer. The board ~~shall possess the powers and~~ HAS
 20 THE POWER TO perform the duties imposed by ~~law~~ THIS ACT.

21 (2) The state board of escheats shall investigate and make
 22 inquiry into every county of this state to ascertain whether
 23 there is any property ~~therein which~~ IN THE COUNTY THAT, because
 24 ~~of (a) the death of~~ the owner ~~thereof,~~ DIED intestate ~~,~~
 25 leaving no known heirs-at-law, ~~, (b) by reason of~~ the owner
 26 ~~thereof having~~ disappeared or ~~being~~ IS missing from his OR
 27 HER last known place of residence for a continuous period of ~~7~~

1 3 years or more ~~—~~ leaving no known heirs-at-law, ~~—, or (c) by~~
 2 ~~reason of the same having~~ OR THE PROPERTY HAS been abandoned by
 3 the owner, ~~thereof, as hereinafter defined,~~ has escheated, is
 4 subject to escheat, or IS escheatable to ~~the~~ THIS state ~~—, in~~
 5 ~~accordance with the constitution, the general laws of this state~~
 6 ~~or the provisions of~~ PURSUANT TO this act OR ANY OTHER ACT. The
 7 board may delegate in writing to any regular employee the author-
 8 ity to conduct the inquiry.

9 Sec. 4. All property ~~—, as hereinafter defined,~~ the title
 10 to which has failed and the power of alienation OF WHICH HAS BEEN
 11 suspended ~~by reason of, (a) the death of~~ BECAUSE the owner
 12 ~~thereof,~~ DIED intestate ~~—~~ leaving no known heirs-at-law, ~~—~~
 13 ~~(b) the owner thereof having~~ disappeared or ~~being~~ IS missing
 14 from his OR HER last known place of residence for a continuous
 15 period of ~~—~~ 3 years or more ~~—~~ leaving no known heirs-at-law,
 16 ~~—, or (c) the same having~~ OR THE PROPERTY HAS been abandoned by
 17 the owner, ~~thereof, as hereinafter defined,~~ shall descend to
 18 ~~the state of Michigan~~ THIS STATE as an escheat ~~in accordance~~
 19 ~~with the constitution, the general laws of this state or the pro-~~
 20 ~~visions of this act~~ IF THE PROPERTY HAS A VALUE OF \$5.00 OR
 21 MORE, AND IF THE PROPERTY HAS A VALUE OF LESS THAN \$5.00, TITLE
 22 TO THE PROPERTY SHALL VEST IN THE HOLDER OF THE PROPERTY.

23 SEC. 4A. (1) EXCEPT AS PROVIDED IN SUBSECTION (2), IF A
 24 HOLDER HAS THE POSSESSION, CUSTODY, OR CONTROL OF PROPERTY
 25 BELONGING TO AN OWNER, AND THE OWNER HAS CEASED, FAILED, OR
 26 NEGLECTED TO EXERCISE DOMINION OR CONTROL, TO ASSERT A RIGHT OF
 27 OWNERSHIP OR POSSESSION, TO MAKE PRESENTMENT AND DEMAND FOR

1 PAYMENT AND SATISFACTION, OR TO DO ANY OTHER ACT IN RELATION TO
2 OR CONCERNING THE PROPERTY FOR A PERIOD OF 2 YEARS OR MORE, THE
3 HOLDER MAY DELIVER THE PROPERTY, TOGETHER WITH THE INCREMENT ON
4 THE PROPERTY, TO THE STATE BOARD OF ESCHEATS, TOGETHER WITH A
5 REPORT, IN DUPLICATE, ENUMERATING THE NAME AND LAST KNOWN
6 ADDRESS, IF KNOWN, OF THE OWNER, A DESCRIPTION OF THE PROPERTY,
7 AND THE DATE IT CAME INTO THE POSSESSION OR UNDER THE CONTROL OF
8 THE HOLDER, OR WHEN THE RIGHT OF THE OWNER TO POSSESSION OR CUS-
9 TODY OF THE PROPERTY WAS CREATED.

10 (2) IF A HOLDER IS A DEPOSITORY FINANCIAL INSTITUTION, THE
11 HOLDER MAY DELIVER THE PROPERTY TOGETHER WITH THE INCREMENT ON
12 THE PROPERTY TO THE STATE BOARD OF ESCHEATS AFTER A PERIOD OF 12
13 CONSECUTIVE MONTHS IN WHICH THE OWNER HAS CEASED, FAILED, OR
14 NEGLECTED TO EXERCISE DOMINION OR CONTROL, TO ASSERT A RIGHT OF
15 OWNERSHIP OR POSSESSION, TO MAKE PRESENTMENT AND DEMAND FOR PAY-
16 MENT AND SATISFACTION, OR TO DO ANY OTHER ACT IN RELATION TO OR
17 CONCERNING THE PROPERTY, IF THE VALUE OF THE PROPERTY IS LESS
18 THAN \$10.00.

19 (3) THE OFFICIAL RECEIPT OF THE STATE BOARD OF ESCHEATS
20 ACKNOWLEDGING RECEIPT OF THE PROPERTY IS CONSIDERED TO BE THE
21 OFFICIAL RECEIPT OF THE OWNER OF THE PROPERTY.

22 SEC. 4B IF A COURT OF COMPETENT JURISDICTION ORDERS THAT
23 PROPERTY UNDER ITS JURISDICTION AND CONTROL BE DISTRIBUTED TO THE
24 PERSON ADJUDGED TO BE THE LAWFUL OWNER OF THE PROPERTY, AND IT
25 APPEARS THAT THE PROPERTY CANNOT BE DISTRIBUTED TO THAT PERSON
26 BECAUSE THE PERSON FAILED OR REFUSED TO MAKE A CLAIM FOR THE
27 PROPERTY, THE PERSON'S WHEREABOUTS ARE UNKNOWN AND CANNOT BE

1 ASCERTAINED, OR THE IDENTITY OF THE PERSON IS UNKNOWN, THE COURT
2 MAY ORDER AND DIRECT THAT THE PROPERTY BE ASSIGNED, TRANSFERRED,
3 AND DELIVERED TO THE STATE BOARD OF ESCHEATS TO BE HELD IN TRUST
4 FOR THE PERSON ADJUDGED TO BE THE LAWFUL OWNER. THE OFFICIAL
5 RECEIPT OF THE STATE BOARD OF ESCHEATS ACKNOWLEDGING RECEIPT OF
6 THE PROPERTY IS CONSIDERED TO BE THE OFFICIAL RECEIPT OF THE
7 OWNER OF THE PROPERTY.

8 SEC. 4C. THE STATE BOARD OF ESCHEATS IS AUTHORIZED TO
9 RECEIVE AND HOLD ALL PROPERTY DELIVERED TO IT PURSUANT TO THIS
10 ACT. HOWEVER, EXCEPT AS PROVIDED BY SECTION 52A, IT IS THE DUTY
11 OF THE STATE BOARD OF ESCHEATS, UPON RECEIVING THE PROPERTY, TO
12 KEEP AND HOLD THE PROPERTY IN AN ACCOUNT SEPARATE FROM ACCOUNTS
13 OF OTHER ESCHEATABLE OR ESCHEATED PROPERTY, AND UPON THE MATURING
14 OF A 3-YEAR PERIOD OF DORMANCY, WHICH IS TO BE CALCULATED UPON
15 THE BASIS OF TIME RUNNING FROM THE TIME WHEN THE PROPERTY FIRST
16 BECAME AVAILABLE TO THE PERSON ENTITLED TO THE PROPERTY, SHALL
17 REPORT THE PROPERTY TO THE STATE PUBLIC ADMINISTRATOR, WITH THE
18 REQUEST THAT APPROPRIATE JUDICIAL PROCEEDINGS BE INSTITUTED FOR
19 THE DETERMINATION OF ACTUAL ABANDONMENT OF THE PROPERTY FOR THE
20 PURPOSE OF PROCURING AN ORDER ASSIGNING THE PROPERTY TO THE STATE
21 OF MICHIGAN AS AN ESCHEAT.

22 SEC. 4D. (1) PROPERTY DELIVERED TO THE STATE TREASURER
23 UNDER THIS ACT, OTHER THAN CASH, MAY BE SOLD BY THE STATE TREA-
24 SURER EITHER AT A PUBLIC OR PRIVATE SALE, AS THE TREASURER CON-
25 SIDERS TO BE IN THE BEST INTERESTS OF THIS STATE OR OF A PERSON
26 ENTITLED TO REDEMPTION AS PROVIDED UNDER THIS ACT. A PUBLIC SALE
27 SHALL BE CONDUCTED ACCORDING TO RULES AND REGULATIONS PRESCRIBED

1 UNDER SECTION 56, EXCEPT THAT A PUBLIC SALE OF PROPERTY OTHER
2 THAN INTANGIBLE PROPERTY SHALL BE HELD NOT LESS THAN ONCE EVERY 3
3 YEARS. A PUBLIC SALE OF PROPERTY SHALL BE MADE TO THE HIGHEST
4 RESPONSIBLE BIDDER FOR CASH AND THE STATE TREASURER MAY REJECT
5 ANY OR ALL BIDS UPON EACH ITEM OF PROPERTY OFFERED FOR SALE.

6 (2) THE STATE TREASURER MAY MAKE, EXECUTE, AND DELIVER TO
7 EACH PURCHASER AT THE SALE A GOOD AND SUFFICIENT BILL OF SALE,
8 ASSIGNMENT, OR TRANSFER OF TITLE OF THE PROPERTY SOLD. THE BILL
9 OF SALE, ASSIGNMENT, OR TRANSFER OF TITLE, SIGNED AND EXECUTED BY
10 THE STATE TREASURER HAS THE SAME FORCE AND EFFECT AS THOUGH MADE
11 BY THE ORIGINAL OWNER OF THE PROPERTY SOLD, AND ENTITLES THE PUR-
12 CHASER TO ALL RIGHTS OF OWNERSHIP IN AND TO THE PROPERTY. THE
13 STATE TREASURER HAS FULL POWER TO MAKE THE SALE, ASSIGNMENT, OR
14 TRANSFER IN THE TREASURER'S OWN NAME AND OFFICIAL TITLE AS THE
15 DULY CONSTITUTED AGENT AND TRUSTEE OF THE ORIGINAL OWNER. THE
16 CASH PROCEEDS RECEIVED FROM THE SALE OF THE PROPERTY, LESS THE
17 EXPENSE OF THE SALE, SHALL BE CREDITED TO THE ACCOUNT OF THE
18 ORIGINAL OWNER.

19 SEC. 4E. A HOLDER WHO DELIVERS PROPERTY TO THE STATE BOARD
20 OF ESCHEATS, WHETHER BY VOLUNTARY REPORT AND DELIVERY OR PURSUANT
21 TO AN ORDER OF A COURT OF COMPETENT JURISDICTION, AND TAKES
22 PROPER RECEIPT FOR THE PROPERTY, IS RELEASED AND DISCHARGED FROM
23 ALL LIABILITY OR ACCOUNTABILITY TO THE OWNER ON ACCOUNT OF THE
24 PROPERTY, AS WELL AS THE REQUIREMENTS OF PREPARING AND FILING OF
25 ANY REPORT CONCERNING THE PROPERTY TO ANY STATE, COUNTY, OR
26 MUNICIPAL BOARD, COMMISSION, OR AGENCY, EXCEPT IF REQUIRED OR

1 ACCRUED BEFORE THE DATE OF THE DELIVERY OF THE PROPERTY TO THE
2 STATE BOARD OF ESCHEATS.

3 Sec. 5. (1) As used in this act:

4 (a) "Person" includes a natural person, ~~a~~ corporation, ~~a~~
5 partnership, voluntary association, estate, trust, 2 or more per-
6 sons having a joint or common interest, or any other legal or
7 commercial entity; the United States government, including any
8 official, officer, agency, department, authority, instrumentali-
9 ty, board, bureau, or court of the United States government, and
10 any corporation organized by the United States for public pur-
11 poses; ~~every~~ AND A state of the United States including this
12 state, including any official, officer, agency, department,
13 board, commission, constitutional body, or court of ~~any~~ THE
14 state, ~~or~~ any body politic and corporation created by the state
15 for public purposes, ~~—~~ and any political subdivision of the
16 state.

17 (b) "Property", except as otherwise provided in
18 subsection (2), means personal property, ~~of every kind or~~
19 ~~description,~~ tangible or intangible, in the possession or under
20 the control of a holder, and includes, but IS not ~~by way of~~
21 ~~limitation~~ LIMITED TO, ALL OF THE FOLLOWING:

22 (i) Money.

23 (ii) Bills of exchange.

24 (iii) Stocks, bonds, and other securities.

25 (iv) Credits, including wages and other allowances for serv-
26 ices earned or accrued on or after January 1, 1958, and funds due
27 and payable on checks certified in this state or on written

1 instruments issued in this state on which a banking or financial
 2 institution or any other holder is liable, including but not
 3 limited to certificates of deposit, drafts, cashier checks, money
 4 orders, and travelers checks; ~~also~~ AND proceeds or property
 5 interests represented by unredeemed gift certificates. Credits
 6 also include checks or other similar written instruments as
 7 described in section 403a of the nonprofit health care corpora-
 8 tion reform act, Act No. 350 of the Public Acts of 1980, being
 9 ~~sections 550.1101 to 550.1704~~ SECTION 550.1403A of the Michigan
 10 Compiled Laws.

11 (v) Deposits, ~~howsoever evidenced,~~ including accrued
 12 interest and increments ~~thereon~~ ON THE DEPOSITS.

13 (vi) Dividends, cash, or stock.

14 (vii) Certificates of membership in a corporation or
 15 association.

16 (viii) ~~Amounts~~ MONEY due and payable pursuant to the terms
 17 of a policy of insurance ~~, also~~ AND money held and owing by any
 18 life insurance company doing business in this state ~~which have~~
 19 THAT HAS remained unclaimed and unpaid for ~~7~~ 3 years or more
 20 after it is established from the records of the company that the
 21 money became due and payable under a life or endowment insurance
 22 policy or annuity contract that has matured or terminated. A
 23 life insurance policy not matured by actual proof of the prior
 24 death of the insured ~~shall be deemed~~ IS CONSIDERED to be
 25 matured, and the proceeds of that policy ~~shall be~~ ARE due and
 26 payable within the meaning of this act if the policy is in force
 27 when the insured has attained the limiting age under the

1 mortality table on which the reserve is based. Money otherwise
 2 admittedly due and payable ~~shall~~ IS CONSIDERED TO be held and
 3 owing within the meaning of this act although the policy or con-
 4 tract has not been surrendered as required.

5 (ix) Security deposits.

6 (x) Funds deposited by a holder with fiscal agents or fidu-
 7 ciaries for payment to an owner of dividends, coupon interest,
 8 and liquidation value of stocks and bonds.

9 (xi) Funds to redeem stocks and bonds.

10 (xii) Amounts refundable from excess or increased rates or
 11 charges collected by a corporation for utility services lawfully
 12 furnished by it that ~~have been or shall be~~ WERE ordered
 13 refunded to consumers or other persons entitled to them, and that
 14 ~~have remained~~ REMAIN unclaimed by the persons entitled to them
 15 for ~~7~~ 3 years from the date they became payable ~~in accordance~~
 16 ~~with~~ PURSUANT TO the final determination or order providing for
 17 the refunds. Property defined in this subparagraph includes
 18 interest due on the refunds.

19 (xiii) All other liquidated choses-in-action. ~~of whatever~~
 20 ~~kind or character.~~

21 (c) "Owner", in addition to its commonly accepted meaning,
 22 means any person having the legal or equitable title or right to
 23 make demand to property ~~coming within the purview of~~ THAT IS
 24 SUBJECT TO this act.

25 (d) "Holder" means any person having possession, custody, or
 26 control of the property of another person, and includes, but IS
 27 not ~~by way of limitation~~ LIMITED TO, a bank, either state or

1 national; a savings and loan association; a credit union; a trust
2 company; a depository; a bailee; a trustee; a receiver or other
3 liquidating officer; a fiduciary; a federal or state governmental
4 department, official, officer, board, public corporation, commis-
5 sion, constitutional body, court, institution or agency, or
6 political subdivision of the state; a municipal corporation and
7 its fiscal officers; a custodian or officer appointed by a court
8 to receive, keep, handle, or disburse money or other property; a
9 public utility, insurance, or service corporation; and every
10 other legal entity doing business in this state. This definition
11 ~~shall be construed as distinguishing~~ DISTINGUISHES the term
12 "holder" of property from the term "owner" of property.

13 (e) "Abandoned property" means property against which a full
14 period of dormancy has run.

15 (f) "Period of dormancy", except as provided in section 7a,
16 means the full and continuous period of ~~-7-~~ 3 years, during which
17 an owner has ceased, failed, or neglected to exercise dominion or
18 control over his or her property or to assert a right of owner-
19 ship or possession; ~~or~~ to make presentment and demand for pay-
20 ment and satisfaction; or to do any other act in relation to or
21 concerning ~~such~~ THE property. This definition does not include
22 an act of a holder of abandoned property that is not done at the
23 express request or authorization of the owner. ~~In the case of~~
24 FOR a life insurance policy not matured by actual proof of the
25 prior death of the insured, the period of dormancy shall begin
26 running at the time that the insured attains the limiting age

1 under the mortality table on which the reserve is based,
2 ~~provided~~ IF the policy is in force at that time.

3 (g) "Escheat" means the descent or devolution of property to
4 ~~the state under and by virtue of~~ THIS STATE PURSUANT TO the
5 STATE constitution of ~~the state~~ 1963, the ~~provisions of the~~
6 ~~general~~ laws of this state, or ~~the provisions of~~ this act.

7 (h) "Escheatable property" means property ~~which~~ THAT is
8 subject to escheat to ~~the state under and by virtue of the pro-~~
9 ~~visions of~~ THIS STATE PURSUANT TO the STATE constitution of ~~the~~
10 ~~state~~ 1963, the ~~general~~ laws of this state, or ~~the provisions~~
11 ~~of~~ this act.

12 (i) "Escheated property" means property ~~which~~ THAT has
13 descended to ~~the~~ THIS state as an escheat.

14 (j) "Appropriation" means the act of ~~the~~ THIS state,
15 through its duly constituted officers or agencies, in taking or
16 accepting possession or custody of abandoned, unprotected,
17 unclaimed, or lost property as conservator for later disposition
18 by descent to ~~the~~ THIS state as an escheat or redemption by the
19 owner as provided in this act.

20 (k) "Redemption" means the reclamation of escheated or
21 escheatable property, or the proceeds of the sale of the proper-
22 ty, made by the owner or other person entitled to the property,
23 pursuant to ~~the provisions of~~ this act.

24 (l) "Unprotected property" means property ~~which~~ THAT the
25 owner has mislaid or left unprotected against loss, damage,
26 waste, or deterioration under circumstances indicating the
27 disappearance of the owner or an abandonment of the property.

1 (2) As used in this act, the word "property" does not
2 include credits or deposits evidenced by cash balances on
3 unclaimed or refused personal property, ~~nor~~ OR any property,
4 except the items specified in subsection (1)(b)(i) to (xiii),
5 that the owner could not recover because of ~~the provisions of~~
6 any state or federal statute of limitations. "Property" does not
7 include sewage tap or connection fees or charges that a court has
8 ordered to be refunded by a local government to property owners
9 or other persons paying the fees or charges and that are
10 unclaimed within a period of ~~7~~ 3 years from the date of the
11 court order and are used to retire judgment bonds issued to
12 refund ~~such~~ THE sewage tap or connection fees. This act ~~shall~~
13 ~~apply~~ APPLIES to unclaimed property held by a life insurance
14 company as described in subsection (1)(b)(viii) where the last
15 known address, according to the records of the life insurance
16 company, of the person entitled to ~~such~~ THE property is within
17 this state. If a person other than the insured or annuitant is
18 entitled to ~~such~~ THE property and no address for that person is
19 known to ~~such~~ THE LIFE INSURANCE company or if it is not defi-
20 nite and certain from the records of the LIFE INSURANCE company
21 what person is entitled to the property, then it ~~shall be~~ IS
22 presumed for the purposes of this act that the last known address
23 of the person entitled to the property is the same as the last
24 known address of the insured or annuitant according to the
25 records of the LIFE INSURANCE company.

26 Sec. 6. (1) Except as provided in section 7a, every holder
27 of abandoned property on or before June 30 of each year shall

1 make and file with the state board of escheats a report, in
 2 duplicate, as of the last preceding January 1, containing a full,
 3 true, and itemized statement of all abandoned property in his OR
 4 HER possession or under his OR HER control. This requirement
 5 does not apply to fiduciaries of decedent estates ~~nor~~ OR to
 6 municipal corporations and ~~the~~ THEIR fiscal officers,
 7 ~~thereof~~, other than counties and ~~the~~ THEIR fiscal officers,
 8 ~~thereof~~, except ~~when such~~ IF THE municipal corporation is a
 9 holder of ~~such~~ THE property in a capacity other than a govern-
 10 mental capacity, ~~or~~ as bailee, or by virtue of other special
 11 contract, express or implied. ~~Such~~ THE annual report is not
 12 required ~~as to~~ FOR any account or item of property ~~or~~ evi-
 13 denced by a written investment contract, time certificate of
 14 deposit, or other written contract maturing on a specified date,
 15 or upon notice in writing to the holder by the owner, or at the
 16 end of a fixed or adjusted term, except that ~~such~~ THE report
 17 shall be made and filed by the holder as to any ~~such~~ account or
 18 item of property ~~when~~ IF the owner or beneficiary fails to
 19 reduce to cash any of the benefits or interest payment ~~thereon~~
 20 ON THE ACCOUNT OR ITEM OF PROPERTY for a full and continuous
 21 period of ~~7~~ 3 years, or ~~when such~~ IF THE owner ~~of~~ OR bene-
 22 ficiary ~~shall fail or neglect~~ FAILS OR NEGLECTS for a period of
 23 ~~7~~ 3 years after the initial maturity date of the contract to
 24 claim and demand his OR HER property. ~~No~~ A holder ~~shall be~~
 25 IS NOT required to report abandoned property ~~when~~ IF, according
 26 to the books and records of the holder, the owner of ~~such~~ THE
 27 abandoned property is a nonresident of this state, provided that

1 ~~such~~ THE holder makes a report of ~~such~~ THE abandoned property
2 to any other state under the provisions of the escheats laws of
3 that state. If the holder does not make ~~such~~ a report to
4 another state, ~~he~~ THE HOLDER shall make a report of the aban-
5 doned property to this state.

6 (2) A corporation or any other legal entity organized under
7 the laws of any other state licensed to transact business in this
8 state ~~shall be~~ IS required to report only abandoned property
9 belonging to an owner who, according to the last known address of
10 ~~such~~ THE owner, was a resident of this state, except that
11 ~~such~~ shares of stock, ~~or~~ membership, or other evidences of
12 interest, and the interest, profits, dividends, or other incre-
13 ment thereon, as well as cash, as set forth in section 12, the
14 physical situs of which property is within this state, ~~shall be~~
15 ~~deemed~~ IS CONSIDERED to be abandoned property and shall be
16 reported to the state board of escheats by the holder without
17 regard to the last known address of the ~~owners~~ OWNER.

18 (3) If ~~no~~ THE address of the owner entitled to the funds
19 is NOT known to the holder, it is presumed that the last known
20 address of the owner is the same as the address of the place
21 where the certificate of deposit, draft, cashier check, money
22 order, travelers check, or other like instrument was issued or
23 where the transaction was initiated.

24 (4) NOT LESS THAN 90 DAYS BEFORE THE END OF THE PERIOD OF
25 DORMANCY OR BEFORE TURNING THE PROPERTY OVER EARLY TO THE STATE
26 BOARD OF ESCHEATS UNDER SECTION 4A, THE HOLDER SHALL SEND A
27 NOTICE TO EACH OWNER OF ABANDONED PROPERTY AT HIS OR HER LAST

1 KNOWN ADDRESS STATING THAT THE PROPERTY MAY BE FORFEITED OR
2 SUBJECT TO ESCHEAT AND WHAT THE OWNER MAY DO TO CLAIM IT FROM THE
3 HOLDER OR SUBSEQUENTLY FROM THE STATE. THE NOTICE SHALL BE IN A
4 FORM THAT SUBSTANTIALLY CONFORMS TO A MODEL NOTICE PREPARED BY
5 THE DEPARTMENT OF TREASURY.

6 Sec. 7a. ~~Notwithstanding the provisions of sections 5(f),~~
7 ~~6, and 7,~~ THE "period of dormancy" for travelers checks means
8 the full and continuous period of ~~+5~~ 3 years from the date of
9 sale during which the instruments have remained outstanding. In
10 accordance with SECTIONS 601 TO 603 OF TITLE VI OF Public
11 Law 93-495, 12 U.S.C. 2501 to 2503, if the books and records of
12 an issuer of travelers checks or money orders show that a travel-
13 ers check or money order was purchased in this state, it shall be
14 included in the report required to be filed with the state board
15 of escheats if another address of the owner entitled to the funds
16 is not known to the issuer of the instrument. An issuer of trav-
17 elers checks or money orders who maintains records of the date
18 and location of the sale of the instruments shall not be required
19 to enumerate the names and addresses of the purchasers or payees
20 in reports required to be filed pursuant to this act, but may
21 make reports by serial numbers of the instruments and amounts, or
22 by gross sums. The escheats division may audit the basic records
23 for verification of reports submitted at its discretion. The
24 holder at the request of the escheats division shall make the
25 basic records available for audit.

26 Sec. 10. (1) Every corporation in this state conducting a
27 safe deposit and collateral deposit business, ~~hereinafter~~

1 referred to in this section as "company", shall attach to each
 2 report made and filed by it under the requirements of this act a
 3 copy of any inventory of property in its possession, not previ-
 4 ously reported, ~~which shall have~~ THAT HAS been removed from any
 5 safe deposit box or compartment ~~7~~ more than ~~7~~ 3 years ~~prior~~
 6 ~~to~~ BEFORE the date as of which ~~such~~ THE report is made by
 7 reason of the termination of the lease ~~thereof~~ OF THE SAFE
 8 DEPOSIT BOX OR COMPARTMENT for failure to pay the rental
 9 charges. ~~thereon. Such~~ THE report shall include a statement
 10 of the name and last known address of each lessee whose lease has
 11 been ~~so~~ terminated for failure to pay ~~such~~ THE rental
 12 charges, the number or identifying description of the safe
 13 deposit box or compartment from which the contents have been
 14 removed, and the date of the opening of ~~such~~ THE safe deposit
 15 box or compartment. ~~Such~~ THE report shall contain ~~such~~ fur-
 16 ther identifying data and information as ~~shall be~~ required by
 17 the state board of escheats.

18 ~~From and after the effective date of this act, such~~
 19 (2) THE company, its officers, employees, or agents, at the
 20 time of the opening of any safe deposit box or compartment and
 21 removal of the contents ~~thereof~~, because of the termination of
 22 the lease for failure to pay rental charges, ~~thereon~~, shall
 23 ~~cause~~ MAKE an inventory ~~to be made~~ of the contents ~~thereof~~,
 24 AND a true copy of ~~which~~ THE INVENTORY shall be attached to its
 25 report to the state board of escheats as ~~above~~ provided IN
 26 SUBSECTION (1).

1 Sec. 11. (1) ~~Whenever any~~ IF AN officer of a court in
 2 this state, including federal courts, or any county officer is in
 3 possession of any money or other property collected or received
 4 pursuant to an order of court, and ~~such~~ THE officer is unable
 5 to distribute or pay out ~~such~~ THE money or property to the
 6 person or persons entitled ~~thereto~~ TO IT as prescribed by
 7 ~~such~~ AN order ~~or decree~~ of A court ~~,~~ due to the failure of
 8 the distributee or distributees to claim the ~~same, or for the~~
 9 ~~reason that~~ MONEY OR PROPERTY OR BECAUSE the whereabouts of
 10 ~~such~~ THE distributee or distributees cannot be ascertained ~~and~~
 11 ~~such inability shall continue~~ for a period of ~~7~~ 3 years from
 12 and after the receipt of ~~such~~ THE money or property by ~~such~~
 13 THE officer, then ~~it shall be the duty of such~~ THE officer ~~to~~
 14 SHALL report the ~~same~~ MONEY OR PROPERTY to the state board of
 15 escheats as abandoned property ~~in conformity with the provisions~~
 16 ~~of~~ PURSUANT TO section 6 or 8. ~~hereof.~~

17 (2) Upon the receipt of the report required by this section,
 18 the board of escheats shall immediately deliver a copy ~~thereof~~
 19 OF THE REPORT to the attorney general ~~whose duty it~~ WHO shall
 20 ~~be to~~ institute or cause to be instituted a proper suit or pro-
 21 ceeding for an adjudication of abandonment and the descent of
 22 ~~such~~ THE property to ~~the~~ THIS state as an escheat. ~~as pro-~~
 23 ~~vided in this act. Provided, That nothing contained in~~ HOWEVER,
 24 this section ~~shall be construed as divesting~~ DOES NOT DIVEST
 25 the court, under whose order ~~or decree~~ the money was received
 26 by ~~said~~ THE officer, of jurisdiction over ~~said~~ THE money or
 27 property and the power to control the distribution ~~thereof~~ OF

1 THE MONEY OR PROPERTY to the rightful owner or owners, except ~~as~~
2 ~~such~~ IF THE court ~~shall waive~~ WAIVES jurisdiction ~~,~~ or the
3 owner or owners of ~~such~~ THE property ~~shall fail~~ FAIL to
4 appear ~~and~~ OR cause their appearance to be entered in the suit
5 or proceeding instituted by the attorney general, or at his OR
6 HER instance, as provided in this act.

7 Sec. 26. Immediately upon the issuance to him OR HER of
8 letters of administration in proceedings provided for in section
9 23, ~~hereof,~~ the public administrator so appointed shall cause
10 notice of his OR HER appointment and time and place of hearing
11 claims against ~~such~~ THE estate or estates ~~,~~ to be served upon
12 the owner or owners named in ~~said~~ THE petition and all other
13 ~~persons~~ interested PERSONS. ~~Such~~ THE service shall be made
14 by ~~said~~ THE public administrator by posting the ~~same,~~
15 ~~together~~ NOTICE, with a true copy of ~~said~~ THE petition ~~to be~~
16 ~~thereto~~ attached, on the bulletin board of the court house of
17 the county, or in the absence of ~~such~~ a bulletin board, then
18 upon a front door of ~~said~~ THE court house. Proof of ~~such~~ THE
19 posting ~~,~~ and of the time and place ~~thereof,~~ POSTED shall be
20 made by the public administrator by THE FILING OF THE proper
21 affidavit. ~~duly filed.~~ ~~Such~~ THE service shall not be construed
22 as substituted service. Notice of hearing of the final account
23 of ~~such~~ THE public administrator FOR PROPERTY WITH A VALUE OF
24 \$10.00 OR MORE shall be published in a newspaper printed,
25 published, and circulating in ~~said~~ THE county ~~once each week~~
26 ~~for 3 consecutive weeks prior to the date of such hearing.~~
27 ~~Provided, That in consolidated proceedings where the hearings are~~

1 ~~set for the same day, and notices are to be published in the same~~
 2 ~~issue of a newspaper, a single notice of the hearing of such~~
 3 ~~final account, listing the names of all owners in the consoli-~~
 4 ~~dated estates under a proper title and file number of the pro-~~
 5 ~~ceedings, shall be sufficient publication.~~ IN THE MANNER PRO-
 6 VIDED FOR IN THE MICHIGAN COURT RULES OF 1985 AND THE REVISED
 7 PROBATE CODE, ACT NO. 642 OF THE PUBLIC ACTS OF 1978, BEING SEC-
 8 TIONS 700.1 TO 700.993 OF THE MICHIGAN COMPILED LAWS, FOR PROCE-
 9 DURES FOR DECEDENT ESTATES. No other ~~or further~~ notice or serv-
 10 ice or publication of notice, ~~shall be~~ IS required in ~~said~~
 11 THE proceedings.

12 Sec. 28. ~~Whenever it shall appear~~ IF IT APPEARS to the
 13 attorney general that there is property ~~which~~ THAT has been
 14 unclaimed, uncalled for, or abandoned by persons legally entitled
 15 ~~thereto~~ TO THE PROPERTY for a period of ~~7~~ 3 years or more,
 16 the attorney general may institute an action in the circuit court
 17 in the name of the people of the state of Michigan ~~7~~ for the
 18 purpose of determining the issue of actual abandonment of ~~such~~
 19 THE property, and to procure a judgment for the descent and devo-
 20 lution ~~thereof~~ OF THE PROPERTY, including the increment there-
 21 on, to ~~the~~ THIS state ~~of Michigan~~ as an escheat. ~~Such~~ THE
 22 action may be commenced in the circuit court of the county in
 23 which the ~~owners, named as defendants, have their last known~~
 24 ~~address in the state of Michigan,~~ OWNER, NAMED AS DEFENDANT, HAS
 25 THE OWNER'S LAST KNOWN ADDRESS IN THIS STATE, or in which the
 26 holder of the property resides or has its principal office or
 27 place of business. The ~~holders of such~~ HOLDER OF THE property

1 may be named as a party defendant with the ~~owners thereof~~
 2 OWNER, and any number of owners or holders may be joined as par-
 3 ties defendant. Process in ~~such~~ THE action shall be served
 4 upon all named holders defendant in the same manner as is pro-
 5 vided by law, or rules of court, for service of process in other
 6 actions. Process in ~~such~~ THE action shall be served upon all
 7 owners named as parties defendant by delivering an original and
 8 true copy of summons issued out of the court, together with a
 9 true copy of the plaintiff's complaint, to the sheriff of the
 10 county. The sheriff, within 15 days after the delivery to him OR
 11 HER of ~~such~~ THE process, shall post the true copy of the sum-
 12 mons and the true copy of the complaint on the bulletin board or
 13 other panel provided for the public posting of legal process or
 14 notices in or on the courthouse of his OR HER county, or in the
 15 absence of ~~such~~ a bulletin board or other panel, then upon a
 16 front door of the courthouse and make ~~due~~ A return ~~thereof~~.
 17 ~~Such~~ OF THE SUMMONS AND COMPLAINT. THE service shall not be
 18 construed to be substituted service.

19 Sec. 37. If ~~any~~ AN owner, ~~as hereinbefore defined,~~
 20 being a natural person, ~~shall have~~ disappeared or ~~shall have~~
 21 HAS been absent from his OR HER last known place of abode for the
 22 continuous period of ~~7~~ 3 years with ~~his~~ THE whereabouts ~~for~~
 23 ~~such period~~ OF THE OWNER unknown to those persons most likely to
 24 know ~~thereof,~~ and ~~such~~ THE owner has for the ~~like~~ SAME
 25 period not been heard from by those persons most likely to hear
 26 from ~~such~~ THE owner, ~~he shall be~~ THE OWNER IS presumed to be
 27 dead. ~~, and if~~ IF no person ~~or persons~~ can be found who

1 would be ~~his~~ THE OWNER'S heir, ~~or heirs at law,~~ if ~~he~~ THE
2 OWNER were dead, then ~~in such case administration shall be taken~~
3 ~~upon his estate in accordance with the provisions of the general~~
4 ~~laws of the state and as in this act provided~~ THE OWNER'S ESTATE
5 SHALL BE ADMINISTERED PURSUANT TO THE LAWS OF THIS STATE AND THIS
6 ACT.

7 Sec. 53. (1) All property, or the net proceeds of the sale
8 ~~thereof, which~~ OF PROPERTY, THAT has descended to the state as
9 an escheat, or which has been paid or delivered to the state
10 board of escheats pursuant to the general laws of this state or
11 the provisions of this act, ~~shall be~~ IS subject to redemption
12 by the owner, ~~thereof,~~ his or her legal heirs, devisees, lega-
13 tees, or assignees, or the holders in due course of negotiable
14 instruments, in the manner provided in this section. To obtain
15 ~~such~~ redemption, the person legally entitled ~~thereto~~ TO THE
16 PROPERTY shall make and file with the state board of escheats a
17 written petition for redemption of escheated property, subscribed
18 by him or her under oath, setting forth his or her identity,
19 place of residence, and the complete facts establishing his or
20 her preferential right to make claim for and receive the
21 property. The petition shall be supported and accompanied by
22 satisfactory proofs, consisting of certified documents and proof
23 ~~which~~ THAT would be legally admissible in a court of law as
24 evidence.

25 (2) All petitions for redemption, if in proper form and sup-
26 ported by proofs as required, shall be heard, examined, and
27 considered by the board of escheats and shall be allowed or

1 disallowed by the board after due consideration of the proofs.
2 If it ~~shall appear~~ APPEARS that the person entitled to a
3 refund, his or her legal heirs, devisees, legatees, or assignees,
4 or the holders in due course of negotiable instruments, would not
5 have the benefit, ~~or~~ use, or control of the money or of the
6 property due him or her; ~~, or where~~ IF special circumstances
7 make it appear desirable that payment ~~should~~ be withheld; ~~, or~~
8 ~~where~~ OR IF it appears that the person entitled to the money or
9 property is a resident and national of a foreign country ~~,~~ and
10 the federal statutes or federal regulations preclude the sending
11 of ~~moneys~~ MONEY from the federal treasury to ~~such~~ THOSE per-
12 sons, the board of escheats may deny ~~such~~ THE application and
13 hold the money or other property for the benefit of ~~such~~ THE
14 owner, his or her legal heirs, devisees, legatees, or assignees,
15 or ~~such~~ A person who may ~~thereafter~~ LATER appear entitled
16 ~~thereto.~~ ~~Such~~ TO THE PROPERTY. THE money or other property so
17 held shall be paid out only by further order of the STATE board
18 of escheats. If the petition is allowed by the board, redemption
19 shall be made in the ~~manner~~ following MANNER:

20 (a) If redemption is to be made to an applicant who was the
21 initial owner of the property at the time the holder delivers the
22 property to the state board of escheats or at the time of
23 escheat, whichever is the earlier, and ~~such~~ THE property, real
24 or personal, other than money, is still in possession of the
25 STATE board of escheats or ~~the~~ THIS state, the identical prop-
26 erty shall be delivered to ~~such~~ THE owner, together with all
27 earned increment on the property realized and collected by the

1 board after the descent and assignment ~~thereof~~ OF THE PROPERTY
 2 to ~~the~~ THIS state. ~~Such~~ THE delivery ~~shall be~~ IS contin-
 3 gent upon the reimbursement of ~~the~~ THIS state by the owner for
 4 all expenditures made by the board for the preservation and pro-
 5 tection of the property, including payment of taxes, during the
 6 time the property was in possession of the board.

7 (b) If the specific property has been sold by the STATE
 8 board of escheats and converted into cash as provided in this
 9 act, the proceeds of ~~such~~ THE sale shall be paid over to ~~such~~
 10 THE applicant owner as a redemption, together with any ~~and all~~
 11 earned increment on the property realized and collected by the
 12 board, less the amount expended by the board ~~prior to~~ BEFORE
 13 THE sale for the protection and preservation of the property,
 14 including the payment of taxes.

15 (c) If the property to be redeemed by ~~such~~ THE owner con-
 16 sists wholly of money assigned to ~~the~~ THIS state and delivered
 17 to the STATE board of escheats as an escheat pursuant to an order
 18 ~~or decree~~ of court entered in proceedings instituted under ~~the~~
 19 ~~provisions of~~ this act, or delivered or paid to the STATE board
 20 of escheats as escheatable money pursuant to section 4A, 4B, 12,
 21 18, 22, or 39, ~~of this act or section 2 or 3 of Act No. 63 of~~
 22 ~~the Public Acts of 1949, being sections 567.202 and 567.203 of~~
 23 ~~the Michigan Compiled Laws,~~ redemption shall be made by payment
 24 to the applicant owner of the full amount of the escheated or
 25 escheatable money. In addition there shall be paid to ~~such~~ THE
 26 owner a sum equal to the amount deducted from the assets of the

1 owner's estate on account of administration expenses, or costs of
2 suit instituted in the circuit court.

3 (d) If redemption is to be made to an applicant entitled to
4 redeem other than the initial owner at the time of escheat or at
5 the time the holder delivers the property to the state board of
6 escheats, whichever is the earlier, ~~such~~ THE redemption shall
7 be made in the same manner as provided in subdivisions (a), (b),
8 and (c), ~~of this section,~~ except that ~~such~~ THE applicant
9 ~~shall~~ IS not ~~be~~ entitled to the additional payment for admin-
10 istration expenses and costs of suit deducted from the assets of
11 the state or earned increment realized and collected by the board
12 after the descent and assignment of the property ~~of the~~ TO THIS
13 state as described in subdivisions (a), (b), and (c).

14 (e) Notwithstanding any other provision of this section, the
15 rights of an owner of a money order, certified check, certificate
16 of deposit, bank draft, cashier check, or travelers' check to
17 payment from any holder upon presentment of the original instru-
18 ment ~~shall~~ ARE not in any way ~~be~~ affected ~~nor~~ OR impaired
19 by reason of the payment to the STATE board of escheats of aban-
20 doned property ~~hereunder~~ or of property that was delivered by a
21 holder to the STATE board of escheats pursuant to section 4A, 4B,
22 12, 18, 22, or 39. ~~of this act or section 2 or 3 of Act No. 63~~
23 ~~of the Public Acts of 1949, and any~~ A holder ~~which~~ THAT has
24 paid to the STATE board of escheats as ~~such~~ property funds due
25 and payable on ~~such~~ THE original instrument, ~~shall,~~ upon
26 making payment to the person presenting ~~such~~ THE original
27 instrument appearing to holder's satisfaction to be entitled to

1 payment, and upon submitting to the STATE board of escheats proof
 2 of ~~such~~ THE payment and a photocopy of the original instrument
 3 so paid, ~~be~~ IS entitled to claim reimbursement from the STATE
 4 board of escheats of the amount so paid, and the STATE board of
 5 escheats shall reimburse the holder without the deduction of any
 6 service, administration, or other charge. All other claims for
 7 redemption shall be made as provided in subdivisions (a) to (d).

8 (3) Property of less than \$50.00 in value ~~which~~ THAT has
 9 been held by the state board of escheats for not less than
 10 5 years after the date the property escheated to ~~the~~ THIS state
 11 ~~shall~~ IS not ~~be~~ eligible for redemption. However, ~~the pro-~~
 12 ~~visions of~~ this subsection ~~shall~~ DOES not affect or impair a
 13 claim for refund made pursuant to subsection (2)(e).

14 (4) PROPERTY WITH A VALUE OF LESS THAN \$10.00 THAT HAS
 15 ESCHEATED TO THIS STATE IS NOT ELIGIBLE FOR REDEMPTION.

16 Sec. 56. The STATE board of escheats shall adopt and
 17 promulgate reasonable rules and regulations to govern its proce-
 18 dure in the administration of the powers and duties ~~imposed and~~
 19 ~~conferred upon~~ GIVEN it by this act. ~~Such~~ THE rules and regu-
 20 lations shall prescribe ALL OF THE FOLLOWING:

21 (a) ~~the~~ THE form of reports of abandoned or unprotected
 22 property required by this act. ~~—~~

23 (b) ~~the~~ THE procedure in conducting ~~sales~~ THE SALE of
 24 property coming into its possession, and the time and place
 25 ~~thereof, except that at least 2 public sales of personal prop-~~
 26 ~~erty shall be held in each calendar year at a time and place to~~
 27 ~~be fixed by the board,~~ FOR THE SALES.

1 (c) ~~the~~ THE form of applications for redemption of
2 property, and the time and place of hearing ~~thereof, except that~~
3 ~~all applications~~ ON THE APPLICATIONS. HOWEVER, AN APPLICATION
4 shall be heard within 30 days ~~from and~~ after the ~~due~~ filing
5 ~~thereof~~ OF THE APPLICATION, unless ~~such~~ THE hearing, ~~shall,~~
6 upon cause shown, ~~be~~ IS adjourned to a later fixed date. ~~—~~

7 (d) ~~a~~ A uniform practice and policy relative to the making
8 of investments or reinvestments of the proceeds of the sale of
9 real property assigned and delivered to ~~it~~ THE STATE BOARD OF
10 ESCHEATS under ~~the provisions of~~ this act, subject ~~, however,~~
11 to the approval of the state administrative board. ~~—~~

12 (e) ~~the~~ THE form of all legal notices required to be
13 issued, served, or published by ~~it~~ THE STATE BOARD OF ESCHEATS
14 under ~~the provisions of~~ this act. ~~—~~

15 (f) ~~the~~ THE form of the deeds of conveyance and contracts
16 of purchase and sale of land described in this act, or any amend-
17 ments ~~thereto,~~ TO THE CONTRACTS.

18 (g) ~~the~~ THE form of all other notices, documents, or other
19 writings to be given, made, or executed by ~~it~~ THE STATE BOARD
20 OF ESCHEATS in administering the functions imposed upon it by
21 this act.

22 Section 2. Act No. 63 of the Public Acts of 1949, being
23 sections 567.201 to 567.206 of the Michigan Compiled Laws, is
24 repealed.