

HOUSE BILL No. 5801

April 30, 1992, Introduced by Reps. Jondahl and Bryant and referred to the Committee on Taxation.

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

"The Michigan code of escheats,"

sections 2, 5, and 26 as amended by Act No. 76 of the Public Acts of 1991 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, and 567.63 of the Michigan Compiled Laws; and to add sections 4a, 4b, 4c, 4d, and 4e.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 1, 2, 4, 5, 6, 7a, 10, 11, 26, 28, and
2 53 of Act No. 329 of the Public Acts of 1947, sections 2, 5, and
3 26 as amended by Act No. 76 of the Public Acts of 1991 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, and 567.63 of the Michigan
3 Compiled Laws, are amended and sections 4a, 4b, 4c, 4d, and 4e
4 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~~ 5 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. The department shall investigate and make inquiry
18 into every county of this state to ascertain whether there is any
19 property in the county that, because the owner died intestate
20 leaving no known heirs-at-law, the owner disappeared or is miss-
21 ing from his or her last known place of residence for a continu-
22 ous period of ~~7~~ 5 years or more leaving no known heirs-at-law,
23 or the property has been abandoned by the owner, has escheated,
24 is subject to escheat, or is escheatable to this state pursuant
25 to this act or any other act.

26 Sec. 4. All property ~~, as hereinafter defined,~~ the title
27 to which has failed and the power of alienation OF WHICH HAS BEEN

1 suspended ~~by reason of, (a) the death of~~ BECAUSE the owner
2 ~~thereof,~~ DIED intestate ~~7~~ leaving no known heirs-at-law, ~~7~~
3 ~~(b) the owner thereof having~~ disappeared or ~~being~~ IS missing
4 from his OR HER last known place of residence for a continuous
5 period of ~~7~~ 5 years or more ~~7~~ leaving no known heirs-at-law,
6 ~~7~~ or ~~(c) the same having~~ OR THE PROPERTY HAS been abandoned by
7 the owner, ~~thereof, as hereinafter defined,~~ shall descend to
8 ~~the state of Michigan~~ THIS STATE as an escheat ~~in accordance~~
9 ~~with the constitution, the general laws of this state or the pro-~~
10 ~~visions of this act~~ IF THE PROPERTY HAS A VALUE OF \$5.00 OR
11 MORE. IF THE PROPERTY HAS A VALUE OF LESS THAN \$5.00, TITLE TO
12 THE PROPERTY SHALL VEST IN THE HOLDER OF THE PROPERTY.

13 SEC. 4A. (1) EXCEPT AS PROVIDED IN SUBSECTION (2), IF A
14 HOLDER HAS THE POSSESSION, CUSTODY, OR CONTROL OF PROPERTY
15 BELONGING TO AN OWNER, AND THE OWNER HAS CEASED, FAILED, OR
16 NEGLECTED TO EXERCISE DOMINION OR CONTROL, TO ASSERT A RIGHT OF
17 OWNERSHIP OR POSSESSION, TO MAKE PRESENTMENT AND DEMAND FOR PAY-
18 MENT AND SATISFACTION, OR TO DO ANY OTHER ACT IN RELATION TO OR
19 CONCERNING THE PROPERTY FOR A PERIOD OF 2 YEARS OR MORE, THE
20 HOLDER MAY DELIVER THE PROPERTY AND THE INCREMENT ON THE PROPERTY
21 TO THE DEPARTMENT WITH A REPORT, IN DUPLICATE, ENUMERATING THE
22 NAME AND LAST KNOWN ADDRESS, IF KNOWN, OF THE OWNER, A DESCRIP-
23 TION OF THE PROPERTY, AND THE DATE ON WHICH THE PROPERTY CAME
24 INTO THE POSSESSION OR UNDER THE CONTROL OF THE HOLDER, OR ON
25 WHICH THE RIGHT OF THE OWNER TO POSSESSION OR CUSTODY OF THE
26 PROPERTY WAS CREATED.

1 (2) IF A HOLDER IS A DEPOSITORY FINANCIAL INSTITUTION, THE
2 HOLDER MAY DELIVER THE PROPERTY AND THE INCREMENT ON THE PROPERTY
3 TO THE DEPARTMENT AFTER A PERIOD OF 12 CONSECUTIVE MONTHS IN
4 WHICH THE OWNER HAS CEASED, FAILED, OR NEGLECTED TO EXERCISE
5 DOMINION OR CONTROL, TO ASSERT A RIGHT OF OWNERSHIP OR POSSES-
6 SION, TO MAKE PRESENTMENT AND DEMAND FOR PAYMENT AND SATISFAC-
7 TION, OR TO DO ANY OTHER ACT IN RELATION TO OR CONCERNING THE
8 PROPERTY, IF THE VALUE OF THE PROPERTY IS LESS THAN \$10.00.

9 (3) THE OFFICIAL RECEIPT OF THE DEPARTMENT ACKNOWLEDGING
10 RECEIPT OF THE PROPERTY IS CONSIDERED TO BE THE OFFICIAL RECEIPT
11 OF THE OWNER OF THE PROPERTY.

12 SEC. 4B. IF A COURT OF COMPETENT JURISDICTION ORDERS THAT
13 PROPERTY UNDER ITS JURISDICTION AND CONTROL BE DISTRIBUTED TO THE
14 PERSON ADJUDGED TO BE THE LAWFUL OWNER OF THE PROPERTY, AND IT
15 APPEARS THAT THE PROPERTY CANNOT BE DISTRIBUTED TO THAT PERSON
16 BECAUSE THE PERSON FAILED OR REFUSED TO MAKE A CLAIM FOR THE
17 PROPERTY, THE PERSON'S WHEREABOUTS ARE UNKNOWN AND CANNOT BE
18 ASCERTAINED, OR THE IDENTITY OF THE PERSON IS UNKNOWN, THE COURT
19 MAY ORDER AND DIRECT THAT THE PROPERTY BE ASSIGNED, TRANSFERRED,
20 AND DELIVERED TO THE DEPARTMENT TO BE HELD IN TRUST FOR THE
21 PERSON ADJUDGED TO BE THE LAWFUL OWNER. THE OFFICIAL RECEIPT OF
22 THE DEPARTMENT ACKNOWLEDGING RECEIPT OF THE PROPERTY IS CONSID-
23 ERED TO BE THE OFFICIAL RECEIPT OF THE OWNER OF THE PROPERTY.

24 SEC. 4C. THE DEPARTMENT IS AUTHORIZED TO RECEIVE AND HOLD
25 ALL PROPERTY DELIVERED TO IT PURSUANT TO THIS ACT. HOWEVER,
26 EXCEPT AS PROVIDED BY SECTION 52A, IT IS THE DUTY OF THE
27 DEPARTMENT, UPON RECEIVING THE PROPERTY, TO KEEP AND HOLD THE

1 PROPERTY IN AN ACCOUNT SEPARATE FROM ACCOUNTS OF OTHER
2 ESCHEATABLE OR ESCHEATED PROPERTY, AND UPON THE MATURING OF A
3 5-YEAR PERIOD OF DORMANCY, WHICH IS TO BE CALCULATED FROM THE
4 TIME WHEN THE PROPERTY FIRST BECAME AVAILABLE TO THE PERSON ENTI-
5 TLED TO THE PROPERTY, SHALL REPORT THE PROPERTY TO THE ATTORNEY
6 GENERAL, WITH THE REQUEST THAT APPROPRIATE JUDICIAL PROCEEDINGS
7 BE INSTITUTED FOR THE DETERMINATION OF ACTUAL ABANDONMENT OF THE
8 PROPERTY FOR THE PURPOSE OF PROCURING AN ORDER ASSIGNING THE
9 PROPERTY TO THE STATE OF MICHIGAN AS AN ESCHEAT.

10 SEC. 4D. (1) PROPERTY DELIVERED TO THE STATE TREASURER
11 UNDER THIS ACT, OTHER THAN CASH, MAY BE SOLD BY THE STATE TREA-
12 SURER EITHER AT A PUBLIC OR PRIVATE SALE, AS THE TREASURER CON-
13 SIDERS TO BE IN THE BEST INTERESTS OF THIS STATE OR OF A PERSON
14 ENTITLED TO REDEMPTION AS PROVIDED UNDER THIS ACT. A PUBLIC SALE
15 SHALL BE CONDUCTED ACCORDING TO RULES AND REGULATIONS PRESCRIBED
16 UNDER SECTION 56, EXCEPT THAT A PUBLIC SALE OF PROPERTY OTHER
17 THAN INTANGIBLE PROPERTY SHALL BE HELD NOT LESS THAN ONCE EVERY 5
18 YEARS. A PUBLIC SALE OF PROPERTY SHALL BE MADE TO THE HIGHEST
19 RESPONSIBLE BIDDER FOR CASH AND THE STATE TREASURER MAY REJECT
20 ANY OR ALL BIDS UPON EACH ITEM OF PROPERTY OFFERED FOR SALE.

21 (2) THE STATE TREASURER MAY MAKE, EXECUTE, AND DELIVER TO
22 EACH PURCHASER AT THE SALE A GOOD AND SUFFICIENT BILL OF SALE,
23 ASSIGNMENT, OR TRANSFER OF TITLE OF THE PROPERTY SOLD. THE BILL
24 OF SALE, ASSIGNMENT, OR TRANSFER OF TITLE, SIGNED AND EXECUTED BY
25 THE STATE TREASURER HAS THE SAME FORCE AND EFFECT AS THOUGH MADE
26 BY THE ORIGINAL OWNER OF THE PROPERTY SOLD, AND ENTITLES THE
27 PURCHASER TO ALL RIGHTS OF OWNERSHIP IN AND TO THE PROPERTY. THE

1 STATE TREASURER HAS FULL POWER TO MAKE THE SALE, ASSIGNMENT, OR
2 TRANSFER IN THE TREASURER'S OWN NAME AND OFFICIAL TITLE AS THE
3 DULY CONSTITUTED AGENT AND TRUSTEE OF THE ORIGINAL OWNER. THE
4 CASH PROCEEDS RECEIVED FROM THE SALE OF THE PROPERTY, LESS THE
5 EXPENSE OF THE SALE, SHALL BE CREDITED TO THE ACCOUNT OF THE
6 ORIGINAL OWNER.

7 SEC. 4E. A HOLDER WHO DELIVERS PROPERTY TO THE DEPARTMENT,
8 WHETHER BY VOLUNTARY REPORT AND DELIVERY OR PURSUANT TO AN ORDER
9 OF A COURT OF COMPETENT JURISDICTION, AND TAKES PROPER RECEIPT
10 FOR THE PROPERTY, IS RELEASED AND DISCHARGED FROM ALL LIABILITY
11 OR ACCOUNTABILITY TO THE OWNER ON ACCOUNT OF THE PROPERTY, AS
12 WELL AS THE REQUIREMENTS OF PREPARING AND FILING OF ANY REPORT
13 CONCERNING THE PROPERTY TO ANY STATE, COUNTY, OR MUNICIPAL BOARD,
14 COMMISSION, OR AGENCY, EXCEPT IF REQUIRED OR ACCRUED BEFORE THE
15 DATE OF THE DELIVERY OF THE PROPERTY TO THE DEPARTMENT.

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

17 (a) "Person" includes a natural person, corporation, part-
18 nership, voluntary association, estate, trust, 2 or more persons
19 having a joint or common interest, or any other legal or commer-
20 cial entity; the United States government, including any offi-
21 cial, officer, agency, department, authority, instrumentality,
22 board, bureau, or court of the United States government, and any
23 corporation organized by the United States for public purposes;
24 and a state of the United States including this state, including
25 any official, officer, agency, department, board, commission,
26 constitutional body, or court of the state, any body politic and

1 corporation created by the state for public purposes, and any
2 political subdivision of the state.

3 (b) "Property", except as otherwise provided in
4 subsection (2), means personal property, tangible or intangible,
5 in the possession or under the control of a holder, and includes,
6 but is not limited to, all of the following:

7 (i) Money.

8 (ii) Bills of exchange.

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

10 (iv) Credits, including wages and other allowances for serv-
11 ices earned or accrued on or after January 1, 1958, and funds due
12 and payable on checks certified in this state or on written
13 instruments issued in this state on which a banking or financial
14 institution or any other holder is liable, including but not
15 limited to certificates of deposit, drafts, cashier checks, money
16 orders, and travelers checks; and proceeds or property interests
17 represented by unredeemed gift certificates. Credits also
18 include checks or other similar written instruments as described
19 in section 403a of the nonprofit health care corporation reform
20 act, Act No. 350 of the Public Acts of 1980, being
21 section 550.1403a of the Michigan Compiled Laws.

22 (v) Deposits, including accrued interest and increments on
23 the deposits.

24 (vi) Dividends, cash, or stock.

25 (vii) Certificates of membership in a corporation or
26 association.

1 (viii) Money due and payable pursuant to the terms of a
2 policy of insurance and money held and owing by any life
3 insurance company doing business in this state that has remained
4 unclaimed and unpaid for ~~7~~ 5 years or more after it is estab-
5 lished from the records of the company that the money became due
6 and payable under a life or endowment insurance policy or annuity
7 contract that has matured or terminated. A life insurance policy
8 not matured by actual proof of the prior death of the insured is
9 considered to be matured, and the proceeds of that policy are due
10 and payable within the meaning of this act if the policy is in
11 force when the insured has attained the limiting age under the
12 mortality table on which the reserve is based. Money otherwise
13 admittedly due and payable is considered to be held and owing
14 within the meaning of this act although the policy or contract
15 has not been surrendered as required.

16 (ix) Security deposits.

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

20 (xi) Funds to redeem stocks and bonds.

21 (xii) Amounts refundable from excess or increased rates or
22 charges collected by a corporation for utility services lawfully
23 furnished by it that were ordered refunded to consumers or other
24 persons entitled to them, and that remain unclaimed by the per-
25 sons entitled to them for ~~7~~ 5 years from the date they became
26 payable pursuant to the final determination or order providing

1 for the refunds. Property defined in this subparagraph includes
2 interest due on the refunds.

3 (xiii) All other liquidated choses-in-action.

4 (c) "Owner", in addition to its commonly accepted meaning,
5 means any person having the legal or equitable title or right to
6 make demand to property that is subject to this act.

7 (d) "Holder" means any person having possession, custody, or
8 control of the property of another person, and includes, but is
9 not limited to, a bank, either state or national; a savings and
10 loan association; a credit union; a trust company; a depository;
11 a bailee; a trustee; a receiver or other liquidating officer; a
12 fiduciary; a federal or state governmental department, official,
13 officer, board, public corporation, commission, constitutional
14 body, court, institution or agency, or political subdivision of
15 the state; a municipal corporation and its fiscal officers; a
16 custodian or officer appointed by a court to receive, keep,
17 handle, or disburse money or other property; a public utility,
18 insurance, or service corporation; and every other legal entity
19 doing business in this state. This definition distinguishes the
20 term "holder" of property from the term "owner" of property.

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

23 (f) "Period of dormancy", except as provided in section 7a,
24 means the full and continuous period of ~~7~~ 5 years, during which
25 an owner has ceased, failed, or neglected to exercise dominion or
26 control over his or her property or 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. This definition does not include an
3 act of a holder of abandoned property that is not done at the
4 express request or authorization of the owner. For a life insur-
5 ance policy not matured by actual proof of the prior death of the
6 insured, the period of dormancy shall begin running at the time
7 that the insured attains the limiting age under the mortality
8 table on which the reserve is based, if the policy is in force at
9 that time. For a prepaid funeral contract established under the
10 prepaid funeral contract funding act, Act No. 255 of the Public
11 Acts of 1986, being sections 328.211 to 328.235 of the Michigan
12 Compiled Laws, the period of dormancy shall begin running at the
13 date of death of the contract beneficiary, or if no contract ben-
14 eficiary has been designated under the contract, the date of
15 death of the owner of the contract, if the contract is in force
16 at that time. For an account established under Act No. 70 of the
17 Public Acts of 1954, being sections 328.201 to 328.204 of the
18 Michigan Compiled Laws, the period of dormancy shall begin run-
19 ning at the date of death of the person for whom the account was
20 established, if the account is in existence at that time. If it
21 is unclear whether the contract beneficiary, the owner of the
22 contract, or the person for whom the account was established has
23 died, the department may prescribe the method to be utilized by
24 the holder of the property to determine whether a report should
25 be filed.

1 (g) "Escheat" means the descent or devolution of property to
2 this state pursuant to the state constitution of 1963, the laws
3 of this state, or this act.

4 (h) "Escheatable property" means property that is subject to
5 escheat to this state pursuant to the state constitution of 1963,
6 the laws of this state, or this act.

7 (i) "Escheated property" means property that has descended
8 to this state as an escheat.

9 (j) "Appropriation" means the act of this state, through its
10 duly constituted officers or agencies, in taking or accepting
11 possession or custody of abandoned, unprotected, unclaimed, or
12 lost property as conservator for later disposition by descent to
13 this state as an escheat or redemption by the owner as provided
14 in this act.

15 (k) "Redemption" means the reclamation of escheated or
16 escheatable property, or the proceeds of the sale of the proper-
17 ty, made by the owner or other person entitled to the property,
18 pursuant to this act.

19 (l) "Unprotected property" means property that the owner has
20 mislaid or left unprotected against loss, damage, waste, or dete-
21 rioration under circumstances indicating the disappearance of the
22 owner or an abandonment of the property.

23 (m) "Department", unless the context clearly requires other-
24 wise, means the department of treasury.

25 (2) As used in this act, the word "property" does not
26 include credits or deposits evidenced by cash balances on
27 unclaimed or refused personal property, or any property, except

1 the items specified in subsection (1)(b)(i) to (xiii), that the
2 owner could not recover because of any state or federal statute
3 of limitations. "Property" does not include sewage tap or con-
4 nection fees or charges that a court has ordered to be refunded
5 by a local government to property owners or other persons paying
6 the fees or charges and that are unclaimed within a period of ~~7~~
7 5 years from the date of the court order and are used to retire
8 judgment bonds issued to refund the sewage tap or connection
9 fees. This act applies to unclaimed property held by a life
10 insurance company as described in subsection (1)(b)(viii) where
11 the last known address, according to the records of the life
12 insurance company, of the person entitled to the property is
13 within this state. If a person other than the insured or annu-
14 itant is entitled to the property and no address for that person
15 is known to the life insurance company or if it is not definite
16 and certain from the records of the life insurance company what
17 person is entitled to the property, then it is presumed for the
18 purposes of this act that the last known address of the person
19 entitled to the property is the same as the last known address of
20 the insured or annuitant according to the records of the life
21 insurance company.

22 Sec. 6. (1) Except as provided in section 7a, every holder
23 of abandoned property on or before June 30 of each year shall
24 make and file with the ~~state board of escheats~~ DEPARTMENT a
25 report, in duplicate, as of the last preceding January 1, con-
26 taining a full, true, and itemized statement of all abandoned
27 property in his OR HER possession or under his OR HER control.

1 This requirement does not apply to fiduciaries of decedent
2 estates ~~—nor~~ OR to municipal corporations and ~~the~~ THEIR
3 fiscal officers, ~~thereof~~ other than counties and ~~the~~ THEIR
4 fiscal officers, ~~thereof~~ except ~~when such~~ IF THE municipal
5 corporation is a holder of ~~such~~ THE property in a capacity
6 other than a governmental capacity, ~~or~~ as bailee, or by virtue
7 of other special contract, express or implied. ~~Such~~ THE annual
8 report is not required ~~as to~~ FOR any account or item of prop-
9 erty ~~—~~ evidenced by a written investment contract, time certif-
10 icate of deposit, or other written contract maturing on a speci-
11 fied date, or upon notice in writing to the holder by the owner,
12 or at the end of a fixed or adjusted term, except that ~~such~~ THE
13 report shall be made and filed by the holder as to any ~~such~~
14 account or item of property ~~when~~ IF the owner or beneficiary
15 fails to reduce to cash any ~~of the benefits~~ BENEFIT or interest
16 payment ~~thereon~~ ON THE ACCOUNT OR ITEM OF PROPERTY for a full
17 and continuous period of ~~7~~ 5 years, or ~~when such~~ IF THE owner
18 ~~of~~ OR beneficiary ~~shall fail or neglect~~ FAILS OR NEGLECTS for
19 a period of ~~7~~ 5 years after the initial maturity date of the
20 contract to claim and demand his OR HER property. ~~No~~ A holder
21 ~~shall be~~ IS NOT required to report abandoned property ~~when~~
22 IF, according to the books and records of the holder, the owner
23 of ~~such~~ THE abandoned property is a nonresident of this state,
24 provided that ~~such~~ THE holder makes a report of ~~such~~ THE
25 abandoned property to any other state under the provisions of the
26 escheats laws of that state. If the holder does not make ~~such~~

1 a report to another state, ~~he~~ THE HOLDER shall make a report of
2 the abandoned property to this state.

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

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

22 (4) NOT LESS THAN 90 DAYS BEFORE THE END OF THE PERIOD OF
23 DORMANCY OR BEFORE TURNING THE PROPERTY OVER EARLY TO THE DEPART-
24 MENT UNDER SECTION 4A, THE HOLDER SHALL SEND A NOTICE TO EACH
25 OWNER OF ABANDONED PROPERTY AT HIS OR HER LAST KNOWN ADDRESS
26 STATING THAT THE PROPERTY MAY BE FORFEITED OR SUBJECT TO ESCHEAT
27 AND WHAT THE OWNER MAY DO TO CLAIM IT FROM THE HOLDER OR

1 SUBSEQUENTLY FROM THE STATE. THE NOTICE SHALL BE IN A FORM THAT
2 SUBSTANTIALLY CONFORMS TO A MODEL NOTICE PREPARED BY THE
3 DEPARTMENT.

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

25 Sec. 10. (1) Every corporation in this state conducting a
26 safe deposit and collateral deposit business, ~~hereinafter~~
27 referred to in this section as "company", shall attach to each

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

17 ~~From and after the effective date of this act, such~~

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

26 Sec. 11. (1) ~~Whenever any~~ IF AN officer of a court in
 27 this state, including A federal ~~courts~~ COURT, or any county

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

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

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

7 Sec. 26. Immediately upon the issuance to him or her of
8 letters of administration in proceedings provided for in
9 section 23, the public administrator so appointed shall cause
10 notice of his or her appointment and time and place of hearing
11 claims against the estate or estates to be served upon the owner
12 or owners named in the petition and all other interested
13 persons. The service shall be made by the public administrator
14 by posting the notice, with a true copy of the petition attached,
15 on the bulletin board of the court house of the county, or in the
16 absence of a bulletin board, then upon a front door of the court
17 house. Proof of the posting and of the time and place posted
18 shall be made by the public administrator by the filing of the
19 proper affidavit. The service shall not be construed as substi-
20 tuted service. Notice of hearing of the final account of the
21 public administrator FOR PROPERTY WITH A VALUE OF \$10.00 OR MORE
22 shall be published in a newspaper printed, published, and circu-
23 lating in the county in the manner provided for in the Michigan
24 Court Rules of 1985 and the revised probate code, Act No. 642 of
25 the Public Acts of 1978, being sections 700.1 to 700.993 of the
26 Michigan Compiled Laws, for procedures for decedent estates. No

1 other notice or service or publication of notice ~~7~~ is required
2 in the proceedings.

3 Sec. 28. ~~Whenever it shall appear~~ IF IT APPEARS to the
4 attorney general that there is property ~~which~~ THAT has been
5 unclaimed, uncalled for, or abandoned by persons legally entitled
6 ~~thereto~~ TO THE PROPERTY for a period of ~~7~~ 5 years or more,
7 the attorney general may institute an action in the circuit court
8 in the name of the people of the state of Michigan ~~7~~ for the
9 purpose of determining the issue of actual abandonment of ~~such~~
10 THE property, and to procure a judgment for the descent and devo-
11 lution ~~thereof~~ OF THE PROPERTY, including the increment there-
12 on, to ~~the~~ THIS state ~~of Michigan~~ as an escheat. ~~Such~~ THE
13 action may be commenced in the circuit court of the county in
14 which the ~~owners, named as defendants, have their last known~~
15 ~~address in the state of Michigan,~~ OWNER, NAMED AS DEFENDANT, HAS
16 THE OWNER'S LAST KNOWN ADDRESS IN THIS STATE, or in which the
17 holder of the property resides or has its principal office or
18 place of business. The ~~holders of such~~ HOLDER OF THE property
19 may be named as a party defendant with the ~~owners thereof~~
20 OWNER, and any number of owners or holders may be joined as par-
21 ties defendant. Process in ~~such~~ THE action shall be served
22 upon all named holders defendant in the same manner as is pro-
23 vided by law, or rules of court, for service of process in other
24 actions. Process in ~~such~~ THE action shall be served upon all
25 owners named as parties defendant by delivering an original and
26 true copy of summons issued out of the court, together with a
27 true copy of the plaintiff's complaint, to the sheriff of the

1 county. The sheriff, within 15 days after the delivery to him OR
2 HER of ~~such~~ THE process, shall post the true copy of the sum-
3 mons and the true copy of the complaint on the bulletin board or
4 other panel provided for the public posting of legal process or
5 notices in or on the courthouse of his OR HER county, or in the
6 absence of ~~such~~ a bulletin board or other panel, then upon a
7 front door of the courthouse and make ~~due~~ A return ~~thereof~~.
8 ~~Such~~ OF THE SUMMONS AND COMPLAINT. THE service shall not be
9 construed to be substituted service.

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

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

25 (a) If redemption is to be made to an applicant who was the
 26 initial owner of the property at the time the holder ~~delivers~~
 27 DELIVERED the property to the ~~state board of escheats~~

1 DEPARTMENT or at the time of escheat, whichever is the earlier,
2 and ~~such~~ THE property, real or personal, other than money, is
3 still in possession of the ~~board of escheats~~ DEPARTMENT or
4 ~~the~~ THIS state, the identical property shall be delivered to
5 ~~such~~ THE owner, together with all earned increment on the prop-
6 erty realized and collected by the ~~board~~ DEPARTMENT after the
7 descent and assignment ~~thereof~~ OF THE PROPERTY to ~~the~~ THIS
8 state. ~~Such~~ THE delivery ~~shall be~~ IS contingent upon the
9 reimbursement of ~~the~~ THIS state by the owner for all expendi-
10 tures made by the ~~board~~ DEPARTMENT for the preservation and
11 protection of the property, including payment of taxes, during
12 the time the property was in possession of the ~~board~~
13 DEPARTMENT.

14 (b) If the specific property has been sold by the ~~board of~~
15 ~~escheats~~ DEPARTMENT and converted into cash as provided in this
16 act, the proceeds of ~~such~~ THE sale shall be paid over to ~~such~~
17 THE applicant owner as a redemption, together with any ~~and all~~
18 earned increment on the property realized and collected by the
19 ~~board~~ DEPARTMENT, less the amount expended by the ~~board prior~~
20 ~~to~~ DEPARTMENT BEFORE THE sale for the protection and preserva-
21 tion of the property, including the payment of taxes.

22 (c) If the property to be redeemed by ~~such~~ THE owner con-
23 sists wholly of money assigned to ~~the~~ THIS state and delivered
24 to the ~~board of escheats~~ DEPARTMENT as an escheat pursuant to
25 an order ~~or decree~~ of court entered in proceedings instituted
26 under ~~the provisions of~~ this act, or delivered or paid to the
27 ~~board of escheats~~ DEPARTMENT as escheatable money pursuant to

1 section 4A, 4B, 12, 18, 22, or 39, ~~of this act or section 2 or 3~~
2 ~~of Act No. 63 of the Public Acts of 1949, being sections 567.202~~
3 ~~and 567.203 of the Michigan Compiled Laws,~~ redemption shall be
4 made by payment to the applicant owner of the full amount of the
5 escheated or escheatable money. In addition there shall be paid
6 to ~~such~~ THE owner a sum equal to the amount deducted from the
7 assets of the owner's estate on account of administration
8 expenses, or costs of suit instituted in the circuit court.

9 (d) If redemption is to be made to an applicant entitled to
10 redeem other than the initial owner at the time of escheat or at
11 the time the holder ~~delivers~~ DELIVERED the property to the
12 ~~state board of escheats~~ DEPARTMENT, whichever is the earlier,
13 ~~such~~ THE redemption shall be made in the same manner as pro-
14 vided in subdivisions (a), (b), and (c), ~~of this section,~~
15 except that ~~such~~ THE applicant ~~shall~~ IS not ~~be~~ entitled to
16 the additional payment for administration expenses and costs of
17 suit deducted from the assets of the state or earned increment
18 realized and collected by the ~~board~~ DEPARTMENT after the
19 descent and assignment of the property ~~of the~~ TO THIS state as
20 described in subdivisions (a), (b), and (c).

21 (e) Notwithstanding any other provision of this section, the
22 rights of an owner of a money order, certified check, certificate
23 of deposit, bank draft, cashier check, or travelers' check to
24 payment from any holder upon presentment of the original instru-
25 ment ~~shall~~ ARE not in any way ~~be~~ affected ~~nor~~ OR impaired
26 by reason of the payment to the ~~board of escheats~~ DEPARTMENT of
27 abandoned property ~~hereunder~~ or of property that was delivered

1 by a holder to the ~~board of escheats~~ DEPARTMENT pursuant to
2 section 4A, 4B, 12, 18, 22, or 39. ~~of this act or section 2 or 3~~
3 ~~of Act No. 63 of the Public Acts of 1949, and any~~ A holder
4 ~~which~~ THAT has paid to the ~~board of escheats~~ DEPARTMENT as
5 ~~such~~ property ~~funds~~ MONEY due and payable on ~~such~~ THE orig-
6 inal instrument, ~~shall,~~ upon making payment to the person
7 presenting ~~such~~ THE original instrument appearing to THE
8 holder's satisfaction to be entitled to payment, and upon submit-
9 ting to the ~~board of escheats~~ DEPARTMENT proof of ~~such~~ THE
10 payment and a photocopy of the original instrument so paid, ~~be-~~
11 IS entitled to claim reimbursement from the ~~board of escheats~~
12 DEPARTMENT of the amount so paid, and the ~~board of escheats~~
13 DEPARTMENT shall reimburse the holder without the deduction of
14 any service, administration, or other charge. All other claims
15 for redemption shall be made as provided in subdivisions (a) to
16 (d).

17 (3) Property of less than \$50.00 in value ~~which~~ THAT has
18 been held by the ~~state board of escheats~~ DEPARTMENT for not
19 less than 5 years after the date the property escheated to ~~the~~
20 THIS state ~~shall~~ IS not ~~be~~ eligible for redemption. However,
21 ~~the provisions of~~ this subsection ~~shall~~ DOES not affect or
22 impair a claim for refund made pursuant to subsection (2)(e).

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