

Act No. 312
Public Acts of 2016
Approved by the Governor
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STATE OF MICHIGAN
98TH LEGISLATURE
REGULAR SESSION OF 2016

Introduced by Reps. Webber, Lucido, Tedder, LaVoy, Runestad, Byrd, Lauwers and Hughes

ENROLLED HOUSE BILL No. 5283

AN ACT to amend 1995 PA 29, entitled “An act concerning unclaimed property; to provide for the reporting and disposition of unclaimed property; to make uniform the law concerning unclaimed property; to prescribe the powers and duties of certain state agencies and officials; to prescribe penalties and provide remedies; and to repeal acts and parts of acts,” by amending sections 2 and 36 (MCL 567.222 and 567.256), section 2 as amended by 2015 PA 242, and by adding section 36a.

The People of the State of Michigan enact:

Sec. 2. As used in this act, unless the context otherwise requires:

- (a) “Administrator” means the state treasurer.
- (b) “Apparent owner” means the person whose name appears on the records of the holder as the person entitled to property held, issued, or owing by the holder.
- (c) “Attorney general” means the department of attorney general.
- (d) “Banking organization” means a bank, trust company, savings bank, industrial bank, land bank, safe deposit company, private banker, or any organization defined by law as a bank or banking organization.
- (e) “Business association” means a nonpublic corporation, joint stock company, investment company, business trust, partnership, or association for business purposes of 2 or more individuals, whether or not for profit, including a banking organization, financial organization, insurance company, or utility.
- (f) “Domicile” means the state of incorporation of a corporation and the state of the principal place of business of an unincorporated person.
- (g) “Eligible holder” means a holder that meets 1 or more of the following:
 - (i) Is a business whose principal place of business is in this state as evidenced by 20% or more of its payroll or 20% or more of its real and tangible personal property, except inventory, owned or rented in this state during the period subject to examination or the majority of officers that direct, control, and coordinate the activities of the business are employed in this state.
 - (ii) Is a corporation that wholly owns a corporation that has incorporated in this state and the corporation incorporated in this state meets the criteria under subparagraph (i).
 - (iii) Is a corporation that is wholly owned by a corporation that is incorporated in this state and the corporation incorporated in this state meets the criteria under subparagraph (i).
- (h) “Financial organization” means a savings and loan association, cooperative bank, building and loan association, savings bank, or credit union.

(i) “Holder” means a person, wherever organized or domiciled, who is 1 or more of the following:

(i) In possession of property belonging to another.

(ii) A trustee.

(iii) Indebted to another on an obligation.

(j) “Insurance company” means an individual, association, corporation, fraternal or mutual benefit organization, or any other legal entity, whether or not for profit, that is engaged or attempting to engage in the business of making insurance or surety contracts.

(k) “Intangible property” includes all of the following:

(i) Money, checks, drafts, deposits, interest, dividends, and income.

(ii) Credit balances, customer overpayments, security deposits, refunds, credit memos, unpaid wages, unused airline tickets, and unidentified remittances.

(iii) Except as provided in sections 15(4) and 30(1), gift certificates and gift cards.

(iv) Stocks and other intangible ownership interests in business associations.

(v) Money deposited to redeem stocks, bonds, coupons, and other securities, or to make distributions.

(vi) Amounts due and payable under the terms of insurance policies.

(vii) Amounts distributable from a trust or custodial fund established under a plan to provide health, welfare, pension, vacation, severance, retirement, death, stock purchase, profit sharing, employee savings, supplemental unemployment insurance, or similar benefits.

(l) “Last known address” means a description of the location of the apparent owner sufficient for the purpose of the delivery of mail.

(m) “Locator” means a person registered under section 36a(2) who locates owners of unclaimed property and enters into a written agreement with an owner to document entitlement to property and to locate, deliver, recover, or claim, or assist in locating, delivering, recovering, or claiming, property that is presumed abandoned, for compensation.

(n) “Owner” means a depositor, in the case of a deposit; a beneficiary, in case of a trust other than a deposit in trust; a creditor, claimant, or payee, in the case of other intangible property; or a person having a legal or equitable interest in property subject to this act. Owner includes the legal representative of the person defined as an owner in this subdivision.

(o) “Person” means an individual, business association, state or other government, governmental subdivision or agency, public corporation, public authority, estate, trust, 2 or more persons having a joint or common interest, or any other legal or commercial entity.

(p) “Property” means tangible or intangible personal property owned by a person.

(q) “State” means any state, district, commonwealth, territory, insular possession, or any other area subject to the legislative authority of the United States.

(r) “Utility” means a person who owns or operates for public use any plant, equipment, property, franchise, or license for the transmission of communications or the production, storage, transmission, sale, delivery, or furnishing of electricity, water, steam, or gas.

Sec. 36. (1) An agreement to pay compensation to recover or assist in the recovery of property reported under section 18, made within 24 months after the date payment or delivery is made under section 20, is unenforceable.

(2) A written agreement between a locator and an apparent owner of unclaimed property is subject to subsection (1).

Sec. 36a. (1) The administrator may sell or otherwise provide unclaimed property account information to a locator for unclaimed accounts that remain unclaimed for not less than 24 months after the date payment or delivery is made under section 20 if the value of the unclaimed property is \$10,000.00 or more. The administrator shall provide the unclaimed property account information in an electronic searchable format. The unclaimed property account information may include all of the following:

(a) The name of the apparent owner.

(b) The last known address of the apparent owner, as reported by the holder.

(c) The relationship code, if any.

(d) The type and amount of property and cash value of the property.

(2) Before the department provides information to a locator under subsection (1), the locator shall register with the department in a form and manner determined by the department and pay a fee to the department of \$1,200.00. The fees collected under this subsection shall be used by the department to register and monitor locators under this act. The locator shall renew its registration and pay a fee of \$1,200.00 every 4 years. To register, a locator shall provide the department a primary business address and telephone number, and the name, telephone number, and electronic mail

address of the individual who will be the primary point of contact with the department. A locator is ineligible for registration if, within the immediately preceding 10 years, the individual, a current officer or owner of an entity, or a current employee of the individual or entity who performs or directs locator services was convicted of a felony involving dishonesty, deceit, fraud, or a breach of fiduciary duty.

(3) A locator who receives unclaimed property account information from the administrator under subsection (1) shall not distribute that information to other locators or any other person, other than the apparent owner, for compensation.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor