LEGISLATIVE GENERAL COUNSEL

H.B. 76 1st Sub. (Buff)

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Representative John L. Valentine proposes to substitute the following bill:

1	UNCLAIMED PROPERTY AMENDMENTS
2	1998 GENERAL SESSION
3	STATE OF UTAH
4	Sponsor: John L. Valentine
5	AN ACT RELATING TO UNCLAIMED PROPERTY; MODIFYING DEFINITIONS TO
6	ESTABLISH A REQUIRED MINIMUM FOR CERTAIN UNCLAIMED PROPERTY; AND
7	MAKING TECHNICAL CORRECTIONS.
8	This act affects sections of Utah Code Annotated 1953 as follows:
9	AMENDS:
10	67-4a-102, as last amended by Chapter 9, Laws of Utah 1996
11	67-4a-211, as enacted by Chapter 198, Laws of Utah 1995
12	Be it enacted by the Legislature of the state of Utah:
13	Section 1. Section 67-4a-102 is amended to read:
14	67-4a-102. Definitions.
15	As used in this chapter:
16	(1) "Administrator" means the deputy state treasurer assigned by the state treasurer to
17	administer the law governing unclaimed property in Utah.
18	(2) "Apparent owner" means the person whose name appears on the records of the holder
19	as the person entitled to property held, issued, or owing by the holder.
20	(3) (a) "Bank draft" means a check, draft, or similar instrument on which a banking or
21	financial organization is directly liable.
22	(b) "Bank draft" includes cashier's checks and certified checks.
23	(c) "Bank draft" does not include traveler's checks or money orders.
24	(4) "Banking organization" means a bank, industrial loan corporation, trust company,
25	savings bank, or any organization defined by other law as a bank or banking organization.

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1	(5) "Business association" means a nonpublic corporation, joint stock company,
2	investment company, business trust, partnership, or association for business purposes of two or
3	more individuals, whether or not for profit, including a banking organization, financial
4	organization, insurance company, or utility.
5	(6) "Cashier's check" means a check drawn by a banking organization on itself, signed by
6	an officer of the banking organization, authorizing payment of the amount shown on its face to the
7	payee.
8	(7) "Class action" means a legal action:
9	(a) certified by the court as a class action; or
10	(b) treated by the court as a class action without being formally certified as a class action.
11	(8) (a) "Deposit in a financial institution" means a demand, savings, or matured time
12	deposit with a banking or financial organization.
13	(b) "Deposit in a financial institution" includes:
14	(i) any interest or dividends on a deposit; and
15	(ii) a deposit that is automatically renewable.
16	(9) "Domicile" means the state of incorporation of a corporation and the state of the
17	principal place of business of an unincorporated person.
18	(10) "Financial organization" means a savings and loan association or credit union.
19	(11) "Government entity" means the state, any administrative unit of the state, any political
20	subdivision of the state, any administrative unit of a political subdivision of the state, or any officer
21	or employee of those entities.
22	(12) "Holder" means a person, wherever organized or domiciled, who is:
23	(a) in possession of property belonging to another;
24	(b) a trustee;
25	(c) indebted to another on an obligation; or
26	(d) charged with the duty of paying or delivering intangible property under Section
27	67-4a-302.
28	(13) "Insurance company" means an association, corporation, fraternal or mutual benefit
29	organization, whether or not for profit, that is engaged in providing insurance coverage, including
30	accident, burial, casualty, credit life, contract performance, dental, fidelity, fire, health,
31	hospitalization, illness, life, including endowments and annuities, malpractice, marine, mortgage,

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1 surety, and wage protection insurance. 2 (14) (a) "Intangible property" includes: 3 (i) monies, checks, drafts, deposits in a financial institution, interest, dividends, and 4 income; 5 (ii) credit balances, customer overpayments, gift certificates over \$25, security deposits, 6 refunds, credit memos, unpaid wages, unused airline tickets, and unidentified remittances; 7 (iii) stocks, mutual funds, and other intangible ownership interests in business 8 associations; 9 (iv) monies deposited to redeem stocks, bonds, coupons, and other securities or to make 10 distributions; 11 (v) bonds, notes, and any other debt obligations; 12 (vi) amounts due and payable under the terms of insurance policies; 13 (vii) amounts distributable from a trust or custodial fund established under a plan to 14 provide health, welfare, pension, vacation, severance, retirement, death, stock purchase, profit 15 sharing, employee savings, supplemental unemployment insurance or similar benefits; and 16 (viii) amounts distributable from a mineral interest in land. (b) "Intangible property" does not include patronage capital of electric, telephone, and 17 agricultural cooperatives. 18 19 (15) "Last-known address" means a description of the location of the apparent owner 20 sufficient for the purpose of the delivery of mail. 21 (16) "Mineral" means oil, gas, uranium, sulphur, lignite, coal, and any other substance that 22 is ordinarily and naturally considered a mineral, regardless of the depth at which the oil, gas, 23 uranium, sulphur, lignite, coal, or other substance is found. 24 (17) "Mineral proceeds" includes: 25 (a) all obligations to pay resulting from the production and sale of minerals, including net revenue interest, royalties, overriding royalties, production payments, and joint operating 26 27 agreements; and (b) all obligations for the acquisition and retention of a mineral lease, including bonuses, 28 29 delay rentals, shut-in royalties, and minimum royalties. 30 (18) (a) "Money order" means a negotiable draft issued by a business association for which 31 the business association is not directly liable.

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1	(b) "Money order" does not mean a cashier's check.
2	(19) "Net intangible property" means intangible property that is held, issued, or owing in
3	the ordinary course of a holder's business plus any income or increment derived from it and less
4	any lawful charges.
5	(20) "Owner" means:
6	(a) a depositor in the case of a deposit;
7	(b) a beneficiary in the case of a trust other than a deposit in trust;
8	(c) a creditor, claimant, or payee in the case of other intangible property; or
9	(d) a person or that person's legal representative having a legal or equitable interest in
10	property subject to this chapter.
11	(21) (a) "Ownership purchase funds" means any funds paid toward the purchase of a share,
12	a mutual investment certificate, or any other interest in a banking or financial organization.
13	(b) "Ownership purchase funds" includes any interest or dividends paid on those funds.
14	(22) "Person" means an individual, business association, government entity, public
15	corporation, public authority, estate, trust, two or more persons having a joint or common interest,
16	or any other legal or commercial entity.
17	(23) "State" means any state, district, commonwealth, territory, insular possession, or any
18	other area subject to the legislative authority of the United States.
19	(24) "Utility" means a person who owns or operates for public use any plant, equipment,
20	property, franchise, or license for:
21	(a) the transmission of communications, including cable television; or
22	(b) the production, storage, transmission, sale, delivery, or furnishing of electricity, water,
23	steam, or gas.
24	Section 2. Section 67-4a-211 is amended to read:
25	67-4a-211. Gift certificates and credit memos.
26	(1) A gift certificate greater than $$25$ or a credit memo that remains unreconsidered for
27	more than five years after issuance is considered abandoned.
28	(2) (a) In the case of a gift certificate, the amount considered abandoned is the price paid
29	for the certificate itself.
30	(b) In the case of a credit memo, the amount considered abandoned is the amount credited
31	as shown on the memo itself.

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1	(3) The amount of a gift certificate or credit memo considered abandoned is subject to the
2	custody of this state when:
3	(a) the records of the issuer show that the last-known address of the purchaser of the
4	certificate or recipient of the memo is in Utah;
5	(b) the records of the issuer do not show the address of the purchaser or recipient, but do
6	show that the certificate or memo was issued in Utah;
7	(c) the records of the issuer do not show the address of the purchaser or of the recipient
8	and do not show the state where the certificate or memo was issued, but the issuer is domiciled in
9	Utah; or
10	(d) the records of the issuer show that the state contained in the address of the purchaser
11	or recipient, or if none, the state where the certificate or memo was issued, is a state whose escheat
12	or unclaimed property law does not provide for the escheat or custodial taking of gift certificates
13	and credit memos, and the issuer is domiciled in Utah.

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