

This Document can be made available in alternative formats upon request

State of Minnesota  
HOUSE OF REPRESENTATIVES  
NINETIETH SESSION

H. F. No. **1608**

02/23/2017 Authored by Smith, Hoppe, Pinto and Loonan  
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act  
1.2 relating to commerce; regulating unclaimed property; enacting the Revised Uniform  
1.3 Unclaimed Property Act recommended for enactment by the states by the National  
1.4 Conference of Commissioners on Uniform State Laws; proposing coding for new  
1.5 law in Minnesota Statutes, chapter 345; proposing coding for new law as Minnesota  
1.6 Statutes, chapter 345A.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 ARTICLE 1  
1.9 GENERAL PROVISIONS

1.10 Section 1. [345A.101] SHORT TITLE.

1.11 This chapter may be cited as the Revised Uniform Unclaimed Property Act.

1.12 Sec. 2. [345A.102] DEFINITIONS.

1.13 In this chapter:

1.14 (1) "Administrator" means the commissioner of commerce.

1.15 (2) "Administrator's agent" means a person with which the administrator contracts to  
1.16 conduct an examination under article 10 on behalf of the administrator. The term includes  
1.17 an independent contractor of the person and each individual participating in the examination  
1.18 on behalf of the person or contractor.

1.19 (3) "Apparent owner" means a person whose name appears on the records of a holder  
1.20 as the owner of property held, issued, or owing by the holder.

1.21 (4) "Business association" means a corporation, joint stock company, investment company  
1.22 other than an investment company registered under the Investment Company Act of 1940,

2.1 as amended, United States Code, title 15, sections 80a-1 to 80a-64, partnership,  
2.2 unincorporated association, joint venture, limited liability company, business trust, trust  
2.3 company, land bank, safe deposit company, safekeeping depository, financial organization,  
2.4 insurance company, federally chartered entity, utility, sole proprietorship, or other business  
2.5 entity, whether or not for profit.

2.6 (5) "Confidential information" means records, reports, and information that are  
2.7 confidential under section 345A.1402.

2.8 (6) "Domicile" means:

2.9 (A) for a corporation, the state of its incorporation;

2.10 (B) for a business association whose formation requires a filing with a state, other than  
2.11 a corporation, the state of its filing;

2.12 (C) for a federally chartered entity or an investment company registered under the  
2.13 Investment Company Act of 1940, as amended, United States Code, title 15, sections 80a-1  
2.14 to 80a-64, the state of its home office; and

2.15 (D) for any other holder, the state of its principal place of business.

2.16 (7) "Electronic" means relating to technology having electrical, digital, magnetic, wireless,  
2.17 optical, electromagnetic, or similar capabilities.

2.18 (8) "Electronic mail" means a communication by electronic means which is automatically  
2.19 retained and stored and may be readily accessed or retrieved.

2.20 (9) "Financial organization" means a savings and loan association, building and loan  
2.21 association, savings bank, industrial bank, bank, banking organization, or credit union.

2.22 (10) "Game-related digital content" means digital content that exists only in an electronic  
2.23 game or electronic-game platform. The term:

2.24 (A) includes:

2.25 (i) game-play currency such as a virtual wallet, even if denominated in United States  
2.26 currency; and

2.27 (ii) the following if for use or redemption only within the game or platform or another  
2.28 electronic game or electronic-game platform:

2.29 (I) points sometimes referred to as gems, tokens, gold, and similar names; and

2.30 (II) digital codes; and

2.31 (B) does not include an item that the issuer:

3.1 (i) permits to be redeemed for use outside a game or platform for:

3.2 (I) money; or

3.3 (II) goods or services that have more than minimal value; or

3.4 (ii) otherwise monetizes for use outside a game or platform.

3.5 (11) "Gift card" means:

3.6 (A) a stored-value card:

3.7 (i) the value of which does not expire;

3.8 (ii) that may be decreased in value only by redemption for merchandise, goods, or  
3.9 services; and

3.10 (iii) that, unless required by law, may not be redeemed for or converted into money or  
3.11 otherwise monetized by the issuer; and

3.12 (B) includes a prepaid commercial mobile radio service, as defined in Code of Federal  
3.13 Regulations, title 47, section 20.3, as amended.

3.14 (12) "Holder" means a person obligated to hold for the account of, or to deliver or pay  
3.15 to, the owner, property subject to this chapter.

3.16 (13) "Insurance company" means an association, corporation, or fraternal or  
3.17 mutual-benefit organization, whether or not for profit, engaged in the business of providing  
3.18 life endowments, annuities, or insurance, including accident, burial, casualty, credit-life,  
3.19 contract-performance, dental, disability, fidelity, fire, health, hospitalization, illness, life,  
3.20 malpractice, marine, mortgage, surety, wage-protection, and worker-compensation insurance.

3.21 (14) "Loyalty card" means a record given without direct monetary consideration under  
3.22 an award, reward, benefit, loyalty, incentive, rebate, or promotional program which may  
3.23 be used or redeemed only to obtain goods or services or a discount on goods or services.  
3.24 The term does not include a record that may be redeemed for money or otherwise monetized  
3.25 by the issuer.

3.26 (15) "Mineral" means gas, oil, coal, oil shale, other gaseous liquid or solid hydrocarbon,  
3.27 cement material, sand and gravel, road material, building stone, chemical raw material,  
3.28 gemstone, fissionable and nonfissionable ores, colloidal and other clay, steam and other  
3.29 geothermal resources, and any other substance defined as a mineral by law of this state other  
3.30 than this chapter.

4.1 (16) "Mineral proceeds" means an amount payable for extraction, production, or sale of  
4.2 minerals, or, on the abandonment of the amount, an amount that becomes payable after  
4.3 abandonment. The term includes an amount payable:

4.4 (A) for the acquisition and retention of a mineral lease, including a bonus, royalty,  
4.5 compensatory royalty, shut-in royalty, minimum royalty, and delay rental;

4.6 (B) for the extraction, production, or sale of minerals, including a net revenue interest,  
4.7 royalty, overriding royalty, extraction payment, and production payment; and

4.8 (C) under an agreement or option, including a joint-operating agreement, unit agreement,  
4.9 pooling agreement, and farm-out agreement.

4.10 (17) "Money order" means a payment order for a specified amount of money. The term  
4.11 includes an express money order and a personal money order on which the remitter is the  
4.12 purchaser.

4.13 (18) "Municipal bond" means a bond or evidence of indebtedness issued by a municipality  
4.14 or other political subdivision of a state.

4.15 (19) "Net card value" means the original purchase price or original issued value of a  
4.16 stored-value card, plus amounts added to the original price or value, minus amounts used  
4.17 and any service charge, fee, or dormancy charge permitted by law.

4.18 (20) "Non-freely transferable security" means a security that cannot be delivered to the  
4.19 administrator by the Depository Trust Clearing Corporation or similar custodian of securities  
4.20 providing post-trade clearing and settlement services to financial markets or cannot be  
4.21 delivered because there is no agent to effect transfer. The term includes a worthless security.

4.22 (21) "Owner" means a person that has a legal, beneficial, or equitable interest in property  
4.23 subject to this chapter or the person's legal representative when acting on behalf of the  
4.24 owner. The term includes:

4.25 (A) a depositor, for a deposit;

4.26 (B) a beneficiary, for a trust other than a deposit in trust;

4.27 (C) a creditor, claimant, or payee, for other property; and

4.28 (D) the lawful bearer of a record that may be used to obtain money, a reward, or a thing  
4.29 of value.

4.30 (22) "Payroll card" means a record that evidences a payroll-card account as defined in  
4.31 Regulation E, Code of Federal Regulations, title 12, part 1005, as amended.

5.1 (23) "Person" means an individual, estate, business association, public corporation,  
5.2 government or governmental subdivision, agency, or instrumentality, or other legal entity.

5.3 (24) "Property" means tangible property described in section 345A.205 or a fixed and  
5.4 certain interest in intangible property held, issued, or owed in the course of a holder's business  
5.5 or by a government, governmental subdivision, agency, or instrumentality. The term:

5.6 (A) includes all income from or increments to the property;

5.7 (B) includes property referred to as or evidenced by:

5.8 (i) money, virtual currency, interest, or a dividend, check, draft, deposit, or payroll card;

5.9 (ii) a credit balance, customer's overpayment, stored-value card, security deposit, refund,  
5.10 credit memorandum, unpaid wage, unused ticket for which the issuer has an obligation to  
5.11 provide a refund, mineral proceeds, or unidentified remittance;

5.12 (iii) a security except for:

5.13 (I) a worthless security; or

5.14 (II) a security that is subject to a lien, legal hold, or restriction evidenced on the records  
5.15 of the holder or imposed by operation of law, if the lien, legal hold, or restriction restricts  
5.16 the holder's or owner's ability to receive, transfer, sell, or otherwise negotiate the security;

5.17 (iv) a bond, debenture, note, or other evidence of indebtedness;

5.18 (v) money deposited to redeem a security, make a distribution, or pay a dividend;

5.19 (vi) an amount due and payable under an annuity contract or insurance policy; and

5.20 (vii) an amount distributable from a trust or custodial fund established under a plan to  
5.21 provide health, welfare, pension, vacation, severance, retirement, death, stock purchase,  
5.22 profit-sharing, employee-savings, supplemental-unemployment insurance, or a similar  
5.23 benefit; and

5.24 (C) does not include:

5.25 (i) property held in a plan described in section 529A of the Internal Revenue Code, as  
5.26 amended, United States Code, title 26, section 529A;

5.27 (ii) game-related digital content;

5.28 (iii) a loyalty card;

5.29 (iv) an in-store credit for returned merchandise; or

5.30 (v) a gift card.

6.1 (25) "Putative holder" means a person believed by the administrator to be a holder, until  
6.2 the person pays or delivers to the administrator property subject to this chapter or the  
6.3 administrator or a court makes a final determination that the person is or is not a holder.

6.4 (26) "Record" means information that is inscribed on a tangible medium or that is stored  
6.5 in an electronic or other medium and is retrievable in perceivable form.

6.6 (27) "Security" means:

6.7 (A) a security as defined in section 336.8-102;

6.8 (B) a security entitlement as defined in section 336.8-102, including a customer security  
6.9 account held by a registered broker-dealer, to the extent the financial assets held in the  
6.10 security account are not:

6.11 (i) registered on the books of the issuer in the name of the person for which the  
6.12 broker-dealer holds the assets;

6.13 (ii) payable to the order of the person; or

6.14 (iii) specifically endorsed to the person; or

6.15 (C) an equity interest in a business association not included in subparagraph (A) or (B).

6.16 (28) "Sign" means, with present intent to authenticate or adopt a record:

6.17 (A) to execute or adopt a tangible symbol; or

6.18 (B) to attach to or logically associate with the record an electronic symbol, sound, or  
6.19 process.

6.20 (29) "State" means a state of the United States, the District of Columbia, the  
6.21 Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or insular  
6.22 possession subject to the jurisdiction of the United States.

6.23 (30) "Stored-value card" means a record evidencing a promise made for consideration  
6.24 by the seller or issuer of the record that goods, services, or money will be provided to the  
6.25 owner of the record to the value or amount shown in the record. The term:

6.26 (A) includes:

6.27 (i) a record that contains or consists of a microprocessor chip, magnetic strip, or other  
6.28 means for the storage of information, which is prefunded and whose value or amount is  
6.29 decreased on each use and increased by payment of additional consideration; and

6.30 (ii) a gift card and payroll card; and

7.1 (B) does not include a loyalty card, gift card, or game-related digital content.

7.2 (31) "Utility" means a person that owns or operates for public use a plant, equipment,  
7.3 real property, franchise, or license for the following public services:

7.4 (A) transmission of communications or information;

7.5 (B) production, storage, transmission, sale, delivery, or furnishing of electricity, water,  
7.6 steam, or gas; or

7.7 (C) provision of sewage or septic services, or trash, garbage, or recycling disposal.

7.8 (32) "Virtual currency" means a digital representation of value used as a medium of  
7.9 exchange, unit of account, or store of value, which does not have legal tender status  
7.10 recognized by the United States. The term does not include:

7.11 (A) the software or protocols governing the transfer of the digital representation of value;

7.12 (B) game-related digital content; or

7.13 (C) a loyalty card or gift card.

7.14 (33) "Worthless security" means a security whose cost of liquidation and delivery to the  
7.15 administrator would exceed the value of the security on the date a report is due under this  
7.16 chapter.

7.17 **Sec. 3. [345A.103] INAPPLICABILITY TO FOREIGN TRANSACTION.**

7.18 This chapter does not apply to property held, due, and owing in a foreign country if the  
7.19 transaction out of which the property arose was a foreign transaction.

7.20 **Sec. 4. [345A.104] RULEMAKING.**

7.21 The administrator may adopt under chapter 14 rules to implement and administer this  
7.22 chapter.

## 7.23 **ARTICLE 2**

### 7.24 **PRESUMPTION OF ABANDONMENT**

7.25 **Section 1. [345A.201] WHEN PROPERTY PRESUMED ABANDONED.**

7.26 Subject to section 345A.210, the following property is presumed abandoned if it is  
7.27 unclaimed by the apparent owner during the period specified below:

7.28 (1) a traveler's check, 15 years after issuance;

8.1 (2) a money order, seven years after issuance;

8.2 (3) a state or municipal bond, bearer bond, or original-issue-discount bond, three years  
8.3 after the earliest of the date the bond matures or is called or the obligation to pay the principal  
8.4 of the bond arises;

8.5 (4) a debt of a business association, three years after the obligation to pay arises;

8.6 (5) a payroll card or demand, savings, or time deposit, including a deposit that is  
8.7 automatically renewable, three years after the maturity of the deposit, except a deposit that  
8.8 is automatically renewable is deemed matured on its initial date of maturity unless the  
8.9 apparent owner consented in a record on file with the holder to renewal at or about the time  
8.10 of the renewal;

8.11 (6) money or a credit owed to a customer as a result of a retail business transaction, other  
8.12 than in-store credit for returned merchandise, three years after the obligation arose;

8.13 (7) an amount owed by an insurance company on a life or endowment insurance policy  
8.14 or an annuity contract that has matured or terminated, three years after the obligation to pay  
8.15 arose under the terms of the policy or contract or, if a policy or contract for which an amount  
8.16 is owed on proof of death has not matured by proof of the death of the insured or annuitant,  
8.17 as follows:

8.18 (A) with respect to an amount owed on a life or endowment insurance policy, three years  
8.19 after the earlier of the date:

8.20 (i) the insurance company has knowledge of the death of the insured; or

8.21 (ii) the insured has attained, or would have attained if living, the limiting age under the  
8.22 mortality table on which the reserve for the policy is based; and

8.23 (B) with respect to an amount owed on an annuity contract, three years after the date  
8.24 the insurance company has knowledge of the death of the annuitant.

8.25 (8) property distributable by a business association in the course of dissolution, one year  
8.26 after the property becomes distributable;

8.27 (9) property held by a court, including property received as proceeds of a class action,  
8.28 one year after the property becomes distributable;

8.29 (10) property held by a government or governmental subdivision, agency, or  
8.30 instrumentality, including municipal bond interest and unredeemed principal under the  
8.31 administration of a paying agent or indenture trustee, one year after the property becomes  
8.32 distributable;



9.1 (11) wages, commissions, bonuses, or reimbursements to which an employee is entitled,  
 9.2 or other compensation for personal services, other than amounts held in a payroll card, one  
 9.3 year after the amount becomes payable;

9.4 (12) a deposit or refund owed to a subscriber by a utility, one year after the deposit or  
 9.5 refund becomes payable; and

9.6 (13) property not specified in this section or sections 345A.202 to 345A.208, the earlier  
 9.7 of three years after the owner first has a right to demand the property or the obligation to  
 9.8 pay or distribute the property arises.

9.9 **Sec. 2. [345A.202] WHEN TAX-DEFERRED RETIREMENT ACCOUNT**  
 9.10 **PRESUMED ABANDONED.**

9.11 (a) Subject to section 345A.210, property held in a pension account or retirement account  
 9.12 that qualifies for tax deferral under the income-tax laws of the United States is presumed  
 9.13 abandoned if it is unclaimed by the apparent owner three years after the later of:

9.14 (1) the following dates:

9.15 (A) except as in subparagraph (B), the date a second consecutive communication sent  
 9.16 by the holder by first-class United States mail to the apparent owner is returned to the holder  
 9.17 undelivered by the United States Postal Service; or

9.18 (B) if the second communication is sent later than 30 days after the date the first  
 9.19 communication is returned undelivered, the date the first communication was returned  
 9.20 undelivered by the United States Postal Service; or

9.21 (2) the earlier of the following dates:

9.22 (A) the date the apparent owner becomes 70.5 years of age, if determinable by the holder;  
 9.23 or

9.24 (B) if the Internal Revenue Code, as amended, United States Code, title 26, section 1 et  
 9.25 seq., requires distribution to avoid a tax penalty, two years after the date the holder:

9.26 (i) receives confirmation of the death of the apparent owner in the ordinary course of  
 9.27 its business; or

9.28 (ii) confirms the death of the apparent owner under subsection (b).

9.29 (b) If a holder in the ordinary course of its business receives notice or an indication of  
 9.30 the death of an apparent owner and subsection (a)(2) applies, the holder shall attempt not

10.1 later than 90 days after receipt of the notice or indication to confirm whether the apparent  
 10.2 owner is deceased.

10.3 (c) If the holder does not send communications to the apparent owner of an account  
 10.4 described in subsection (a) by first-class United States mail, the holder shall attempt to  
 10.5 confirm the apparent owner's interest in the property by sending the apparent owner an  
 10.6 electronic-mail communication not later than two years after the apparent owner's last  
 10.7 indication of interest in the property; however, the holder promptly shall attempt to contact  
 10.8 the apparent owner by first-class United States mail if:

10.9 (1) the holder does not have information needed to send the apparent owner an  
 10.10 electronic-mail communication or the holder believes that the apparent owner's  
 10.11 electronic-mail address in the holder's records is not valid;

10.12 (2) the holder receives notification that the electronic-mail communication was not  
 10.13 received; or

10.14 (3) the apparent owner does not respond to the electronic-mail communication not later  
 10.15 than 30 days after the communication was sent.

10.16 (d) If first-class United States mail sent under subsection (c) is returned to the holder  
 10.17 undelivered by the United States Postal Service, the property is presumed abandoned three  
 10.18 years after the later of:

10.19 (1) except as in paragraph (2), the date a second consecutive communication to contact  
 10.20 the apparent owner sent by first-class United States mail is returned to the holder undelivered;

10.21 (2) if the second communication is sent later than 30 days after the date the first  
 10.22 communication is returned undelivered, the date the first communication was returned  
 10.23 undelivered; or

10.24 (3) the date established by subsection (a)(2).

10.25 **Sec. 3. [345A.203] WHEN OTHER TAX-DEFERRED ACCOUNT PRESUMED**  
 10.26 **ABANDONED.**

10.27 Subject to section 345A.210 and except for property described in section 345A.202 and  
 10.28 property held in a plan described in section 529A of the Internal Revenue Code, as amended;  
 10.29 United States Code, title 26, section 529A, property held in an account or plan, including  
 10.30 a health savings account, that qualifies for tax deferral under the income tax laws of the  
 10.31 United States is presumed abandoned if it is unclaimed by the apparent owner three years  
 10.32 after the earlier of:

11.1 (1) the date, if determinable by the holder, specified in the income tax laws and  
 11.2 regulations of the United States by which distribution of the property must begin to avoid  
 11.3 a tax penalty, with no distribution having been made; or

11.4 (2) 30 years after the date the account was opened.

11.5 **Sec. 4. [345A.204] WHEN CUSTODIAL ACCOUNT FOR MINOR PRESUMED**  
 11.6 **ABANDONED.**

11.7 (a) Subject to section 345A.210, property held in an account established under a state's  
 11.8 Uniform Gifts to Minors Act or Uniform Transfers to Minors Act is presumed abandoned  
 11.9 if it is unclaimed by or on behalf of the minor on whose behalf the account was opened  
 11.10 three years after the later of:

11.11 (1) except as in paragraph (2), the date a second consecutive communication sent by the  
 11.12 holder by first-class United States mail to the custodian of the minor on whose behalf the  
 11.13 account was opened is returned undelivered to the holder by the United States Postal Service;

11.14 (2) if the second communication is sent later than 30 days after the date the first  
 11.15 communication is returned undelivered, the date the first communication was returned  
 11.16 undelivered; or

11.17 (3) the date on which the custodian is required to transfer the property to the minor or  
 11.18 the minor's estate in accordance with the Uniform Gifts to Minors Act or Uniform Transfers  
 11.19 to Minors Act of the state in which the account was opened.

11.20 (b) If the holder does not send communications to the custodian of the minor on whose  
 11.21 behalf an account described in subsection (a) was opened by first-class United States mail,  
 11.22 the holder shall attempt to confirm the custodian's interest in the property by sending the  
 11.23 custodian an electronic-mail communication not later than two years after the custodian's  
 11.24 last indication of interest in the property. However, the holder promptly shall attempt to  
 11.25 contact the custodian by first-class United States mail if:

11.26 (1) the holder does not have information needed to send the custodian an electronic-mail  
 11.27 communication or the holder believes that the custodian's electronic-mail address in the  
 11.28 holder's records is not valid;

11.29 (2) the holder receives notification that the electronic-mail communication was not  
 11.30 received; or

11.31 (3) the custodian does not respond to the electronic-mail communication not later than  
 11.32 30 days after the communication was sent.

12.1 (c) If first-class United States mail sent under subsection (b) is returned undelivered to  
 12.2 the holder by the United States Postal Service, the property is presumed abandoned three  
 12.3 years after the later of:

12.4 (1) the date a second consecutive communication to contact the custodian by first-class  
 12.5 United States mail is returned to the holder undelivered by the United States Postal Service;  
 12.6 or

12.7 (2) the date established by subsection (a)(3).

12.8 (d) When the property in the account described in subsection (a) is transferred to the  
 12.9 minor on whose behalf an account was opened or to the minor's estate, the property in the  
 12.10 account is no longer subject to this section.

12.11 **Sec. 5. [345A.205] WHEN CONTENTS OF SAFE-DEPOSIT BOX PRESUMED**  
 12.12 **ABANDONED.**

12.13 Tangible property held in a safe-deposit box and proceeds from a sale of the property  
 12.14 by the holder permitted by law of this state other than this chapter are presumed abandoned  
 12.15 if the property remains unclaimed by the apparent owner five years after the earlier of the:

12.16 (1) expiration of the lease or rental period for the box; or

12.17 (2) earliest date when the lessor of the box is authorized by law of this state other than  
 12.18 this chapter to enter the box and remove or dispose of the contents without consent or  
 12.19 authorization of the lessee.

12.20 **Sec. 6. [345A.206] WHEN STORED-VALUE CARD PRESUMED ABANDONED.**

12.21 (a) Subject to section 345A.210, the net card value of a stored-value card, other than a  
 12.22 payroll card or a gift card, is presumed abandoned on the latest of three years after:

12.23 (1) December 31 of the year in which the card is issued or additional funds are deposited  
 12.24 into it;

12.25 (2) the most recent indication of interest in the card by the apparent owner; or

12.26 (3) a verification or review of the balance by or on behalf of the apparent owner.

12.27 (b) The amount presumed abandoned in a stored-value card is the net card value at the  
 12.28 time it is presumed abandoned.

13.1 **Sec. 7. [345A.207] WHEN GIFT CARD PRESUMED ABANDONED.**

13.2 Subject to section 345A.210, a gift card is presumed abandoned if it is unclaimed by the  
 13.3 apparent owner five years after the later of the date of purchase or its most recent use.

13.4 **Sec. 8. [345A.208] WHEN SECURITY PRESUMED ABANDONED.**

13.5 (a) Subject to section 345A.210, a security is presumed abandoned three years after:

13.6 (1) the date a second consecutive communication sent by the holder by first-class United  
 13.7 States mail to the apparent owner is returned to the holder undelivered by the United States  
 13.8 Postal Service; or

13.9 (2) if the second communication is made later than 30 days after the first communication  
 13.10 is returned, the date the first communication is returned undelivered to the holder by the  
 13.11 United States Postal Service.

13.12 (b) If the holder does not send communications to the apparent owner of a security by  
 13.13 first-class United States mail, the holder shall attempt to confirm the apparent owner's  
 13.14 interest in the security by sending the apparent owner an electronic-mail communication  
 13.15 not later than two years after the apparent owner's last indication of interest in the security;  
 13.16 however, the holder promptly shall attempt to contact the apparent owner by first-class  
 13.17 United States mail if:

13.18 (1) the holder does not have information needed to send the apparent owner an  
 13.19 electronic-mail communication or the holder believes that the apparent owner's  
 13.20 electronic-mail address in the holder's records is not valid;

13.21 (2) the holder receives notification that the electronic-mail communication was not  
 13.22 received; or

13.23 (3) the apparent owner does not respond to the electronic-mail communication not later  
 13.24 than 30 days after the communication was sent.

13.25 (c) If first-class United States mail sent under subsection (b) is returned to the holder  
 13.26 undelivered by the United States Postal Service, the security is presumed abandoned three  
 13.27 years after the date the mail is returned.

13.28 **Sec. 9. [345A.209] WHEN RELATED PROPERTY PRESUMED ABANDONED.**

13.29 At and after the time property is presumed abandoned under this chapter, any other  
 13.30 property right or interest accrued or accruing from the property and not previously presumed  
 13.31 abandoned is also presumed abandoned.

14.1 Sec. 10. [345A.210] INDICATION OF APPARENT OWNER INTEREST IN  
 14.2 PROPERTY.

14.3 (a) The period after which property is presumed abandoned is measured from the later  
 14.4 of:

14.5 (1) the date the property is presumed abandoned under this article; or

14.6 (2) the latest indication of interest by the apparent owner in the property.

14.7 (b) Under this chapter, an indication of an apparent owner's interest in property includes:

14.8 (1) a record communicated by the apparent owner to the holder or agent of the holder  
 14.9 concerning the property or the account in which the property is held;

14.10 (2) an oral communication by the apparent owner to the holder or agent of the holder  
 14.11 concerning the property or the account in which the property is held, if the holder or its  
 14.12 agent contemporaneously makes and preserves a record of the fact of the apparent owner's  
 14.13 communication;

14.14 (3) presentment of a check or other instrument of payment of a dividend, interest payment,  
 14.15 or other distribution, or evidence of receipt of a distribution made by electronic or similar  
 14.16 means, with respect to an account, underlying security, or interest in a business association.

14.17 (4) activity directed by an apparent owner in the account in which the property is held,  
 14.18 including accessing the account or information concerning the account, or a direction by  
 14.19 the apparent owner to increase, decrease, or otherwise change the amount or type of property  
 14.20 held in the account;

14.21 (5) a deposit into or withdrawal from an account at a financial organization, including  
 14.22 an automatic deposit or withdrawal previously authorized by the apparent owner other than  
 14.23 an automatic reinvestment of dividends or interest;

14.24 (6) subject to subsection (e), payment of a premium on an insurance policy; and

14.25 (7) any other action by the apparent owner which reasonably demonstrates to the holder  
 14.26 that the apparent owner knows that the property exists.

14.27 (c) An action by an agent or other representative of an apparent owner, other than the  
 14.28 holder acting as the apparent owner's agent, is presumed to be an action on behalf of the  
 14.29 apparent owner.

14.30 (d) A communication with an apparent owner by a person other than the holder or the  
 14.31 holder's representative is not an indication of interest in the property by the apparent owner

15.1 unless a record of the communication evidences the apparent owner's knowledge of a right  
 15.2 to the property.

15.3 (e) If the insured dies or the insured or beneficiary of an insurance policy otherwise  
 15.4 becomes entitled to the proceeds before depletion of the cash surrender value of the policy  
 15.5 by operation of an automatic-premium-loan provision or other nonforfeiture provision  
 15.6 contained in the policy, the operation does not prevent the policy from maturing or  
 15.7 terminating.

15.8 **Sec. 11. [345A.211] KNOWLEDGE OF DEATH OF INSURED OR ANNUITANT.**

15.9 (a) In this section, "death master file" means the United States Social Security  
 15.10 Administration Death Master File or other database or service that is at least as  
 15.11 comprehensive as the United States Social Security Administration Death Master File for  
 15.12 determining that an individual reportedly has died.

15.13 (b) With respect to a life or endowment insurance policy or annuity contract for which  
 15.14 an amount is owed on proof of death, but which has not matured by proof of death of the  
 15.15 insured or annuitant, the company has knowledge of the death of an insured or annuitant  
 15.16 when:

15.17 (1) the company receives a death certificate or court order determining that the insured  
 15.18 or annuitant has died;

15.19 (2) due diligence, performed as required under [insert citation to applicable state law or  
 15.20 regulations relating to the business of insurance] to maintain contact with the insured or  
 15.21 annuitant or determine whether the insured or annuitant has died, validates the death of the  
 15.22 insured or annuitant;

15.23 (3) the company conducts a comparison for any purpose between a death master file  
 15.24 and the names of some or all of the company's insureds or annuitants, finds a match that  
 15.25 provides notice that the insured or annuitant has died, and validates the death;

15.26 (4) the administrator or the administrator's agent conducts a comparison for the purpose  
 15.27 of finding matches during an examination conducted under article 10 between a death master  
 15.28 file and the names of some or all of the company's insureds or annuitants, finds a match  
 15.29 that provides notice that the insured or annuitant has died, and the company validates the  
 15.30 death; or

15.31 (5) the company:

16.1 (A) receives notice of the death of the insured or annuitant from an administrator,  
 16.2 beneficiary, policy owner, relative of the insured, or trustee or from a personal representative,  
 16.3 executor, or other legal representative of the insured's or annuitant's estate; and

16.4 (B) validates the death of the insured or annuitant.

16.5 (c) The following rules apply under this section:

16.6 (1) A death master file match under subsection (b)(3) or (4) occurs if the criteria for an  
 16.7 exact or partial match are satisfied as provided by:

16.8 (A) law of this state other than this chapter;

16.9 (B) a rule or policy adopted by the commissioner of commerce; or

16.10 (C) absent a law, rule, or policy under subparagraph (A) or (B) standards in the National  
 16.11 Conference of Insurance Legislators' "Model Unclaimed Life Insurance Benefits Act" as  
 16.12 published in 2014.

16.13 (2) The death master file match does not constitute proof of death for the purpose of  
 16.14 submission to an insurance company of a claim by a beneficiary, annuitant, or owner of the  
 16.15 policy or contract for an amount due under an insurance policy or annuity contract.

16.16 (3) The death master file match or validation of the insured's or annuitant's death does  
 16.17 not alter the requirements for a beneficiary, annuitant, or owner of the policy or contract to  
 16.18 make a claim to receive proceeds under the terms of the policy or contract.

16.19 (4) If no provision in chapter 61A which establishes a time for validation of a death of  
 16.20 an insured or annuitant, the insurance company shall make a good faith effort using other  
 16.21 available records and information to validate the death and document the effort taken not  
 16.22 later than 90 days after the insurance company has notice of the death.

16.23 (d) This chapter does not affect the determination of the extent to which an insurance  
 16.24 company before the effective date of this chapter had knowledge of the death of an insured  
 16.25 or annuitant or was required to conduct a death master file comparison to determine whether  
 16.26 amounts owed by the company on a life or endowment insurance policy or annuity contract  
 16.27 were presumed abandoned or unclaimed.

16.28 **Sec. 12. [345A.212] DEPOSIT ACCOUNT FOR PROCEEDS OF INSURANCE**  
 16.29 **POLICY OR ANNUITY CONTRACT.**

16.30 If proceeds payable under a life or endowment insurance policy or annuity contract are  
 16.31 deposited into an account with check or draft-writing privileges for the beneficiary of the  
 16.32 policy or contract and, under a supplementary contract not involving annuity benefits other



17.1 than death benefits, the proceeds are retained by the insurance company or the financial  
 17.2 organization where the account is held, the policy or contract includes the assets in the  
 17.3 account.

### 17.4 **ARTICLE 3**

#### 17.5 **RULES FOR TAKING CUSTODY OF PROPERTY PRESUMED ABANDONED**

##### 17.6 Section 1. **[345A.301] ADDRESS OF APPARENT OWNER TO ESTABLISH** 17.7 **PRIORITY.**

17.8 In this article, the following rules apply:

17.9 (1) The last-known address of an apparent owner is any description, code, or other  
 17.10 indication of the location of the apparent owner which identifies the state, even if the  
 17.11 description, code, or indication of location is not sufficient to direct the delivery of first-class  
 17.12 United States mail to the apparent owner.

17.13 (2) If the United States postal zip code associated with the apparent owner is for a post  
 17.14 office located in this state, this state is deemed to be the state of the last-known address of  
 17.15 the apparent owner unless other records associated with the apparent owner specifically  
 17.16 identify the physical address of the apparent owner to be in another state.

17.17 (3) If the address under paragraph (2) is in another state, the other state is deemed to be  
 17.18 the state of the last-known address of the apparent owner.

17.19 (4) The address of the apparent owner of a life or endowment insurance policy or annuity  
 17.20 contract or its proceeds is presumed to be the address of the insured or annuitant if a person  
 17.21 other than the insured or annuitant is entitled to the amount owed under the policy or contract  
 17.22 and the address of the other person is not known by the insurance company and cannot be  
 17.23 determined under section 345A.302.

##### 17.24 Sec. 2. **[345A.302] ADDRESS OF APPARENT OWNER IN THIS STATE.**

17.25 The administrator may take custody of property that is presumed abandoned, whether  
 17.26 located in this state, another state, or a foreign country if:

17.27 (1) the last-known address of the apparent owner in the records of the holder is in this  
 17.28 state; or

17.29 (2) the records of the holder do not reflect the identity or last-known address of the  
 17.30 apparent owner, but the administrator has determined that the last-known address of the  
 17.31 apparent owner is in this state.

18.1 Sec. 3. **[345A.303] IF RECORDS SHOW MULTIPLE ADDRESSES OF APPARENT**  
18.2 **OWNER.**

18.3 (a) Except as in subsection (b), if records of a holder reflect multiple addresses for an  
18.4 apparent owner and this state is the state of the most recently recorded address, this state  
18.5 may take custody of property presumed abandoned, whether located in this state or another  
18.6 state.

18.7 (b) If it appears from records of the holder that the most recently recorded address of  
18.8 the apparent owner under subsection (a) is a temporary address and this state is the state of  
18.9 the next most recently recorded address that is not a temporary address, this state may take  
18.10 custody of the property presumed abandoned.

18.11 Sec. 4. **[345A.304] HOLDER DOMICILED IN THIS STATE.**

18.12 (a) Except as in subsection (b) or section 345A.302 or 345A.303, the administrator may  
18.13 take custody of property presumed abandoned, whether located in this state, another state,  
18.14 or a foreign country, if the holder is domiciled in this state or is this state or a governmental  
18.15 subdivision, agency, or instrumentality of this state, and

18.16 (1) another state or foreign country is not entitled to the property because there is no  
18.17 last-known address of the apparent owner or other person entitled to the property in the  
18.18 records of the holder; or

18.19 (2) the state or foreign country of the last-known address of the apparent owner or other  
18.20 person entitled to the property does not provide for custodial taking of the property.

18.21 (b) Property is not subject to custody of the administrator under subsection (a) if the  
18.22 property is specifically exempt from custodial taking under the law of this state or the state  
18.23 or foreign country of the last-known address of the apparent owner.

18.24 (c) If a holder's state of domicile has changed since the time the property was presumed  
18.25 abandoned, the holder's state of domicile in this section is deemed to be the state where the  
18.26 holder was domiciled at the time the property was presumed abandoned.

18.27 Sec. 5. **[345A.305] CUSTODY IF TRANSACTION TOOK PLACE IN THIS STATE.**

18.28 Except as in section 345A.302, 345A.303, or 345A.304, the administrator may take  
18.29 custody of property presumed abandoned whether located in this state or another state if:

18.30 (1) the transaction out of which the property arose took place in this state;

19.1 (2) the holder is domiciled in a state that does not provide for the custodial taking of the  
 19.2 property, except that if the property is specifically exempt from custodial taking under the  
 19.3 law of the state of the holder's domicile, the property is not subject to the custody of the  
 19.4 administrator; and

19.5 (3) the last-known address of the apparent owner or other person entitled to the property  
 19.6 is unknown or in a state that does not provide for the custodial taking of the property, except  
 19.7 that if the property is specifically exempt from custodial taking under the law of the state  
 19.8 of the last-known address, the property is not subject to the custody of the administrator.

19.9 **Sec. 6. [345A.306] TRAVELER'S CHECK, MONEY ORDER, OR SIMILAR**  
 19.10 **INSTRUMENT.**

19.11 The administrator may take custody of sums payable on a traveler's check, money order,  
 19.12 or similar instrument presumed abandoned to the extent permissible under United States  
 19.13 Code, title 12, sections 2501 through 2503, as amended.

19.14 **Sec. 7. [345A.307] BURDEN OF PROOF TO ESTABLISH ADMINISTRATOR'S**  
 19.15 **RIGHT TO CUSTODY.**

19.16 If the administrator asserts a right to custody of unclaimed property, the administrator  
 19.17 has the burden to prove:

19.18 (1) the existence and amount of the property;

19.19 (2) the property is presumed abandoned; and

19.20 (3) the property is subject to the custody of the administrator.

19.21 **ARTICLE 4**

19.22 **REPORT BY HOLDER**

19.23 **Section 1. [345A.401] REPORT REQUIRED BY HOLDER.**

19.24 (a) A holder of property presumed abandoned and subject to the custody of the  
 19.25 administrator shall report in a record to the administrator concerning the property. The  
 19.26 administrator may not require a holder to file a paper report.

19.27 (b) A holder may contract with a third party to make the report required under subsection  
 19.28 (a).

19.29 (c) Whether or not a holder contracts with a third party under subsection (b), the holder  
 19.30 is responsible:

20.1 (1) to the administrator for the complete, accurate, and timely reporting of property  
20.2 presumed abandoned; and

20.3 (2) for paying or delivering to the administrator property described in the report.

20.4 **Sec. 2. [345A.402] CONTENT OF REPORT.**

20.5 (a) The report required under section 345A.401 must:

20.6 (1) be signed by or on behalf of the holder and verified as to its completeness and  
20.7 accuracy;

20.8 (2) if filed electronically, be in a secure format approved by the administrator which  
20.9 protects confidential information of the apparent owner in the same manner as required of  
20.10 the administrator and the administrator's agent under article 14;

20.11 (3) describe the property;

20.12 (4) except for a traveler's check, money order, or similar instrument, contain the name,  
20.13 if known, last-known address, if known, and Social Security number or taxpayer identification  
20.14 number, if known or readily ascertainable, of the apparent owner of property with a value  
20.15 of \$50 or more;

20.16 (5) for an amount held or owing under a life or endowment insurance policy or annuity  
20.17 contract, contain the name and last-known address of the insured, annuitant or other apparent  
20.18 owner of the policy or contract and of the beneficiary;

20.19 (6) for property held in or removed from a safe-deposit box, indicate the location of the  
20.20 property, where it may be inspected by the administrator, and any amounts owed to the  
20.21 holder under section 345A.606;

20.22 (7) contain the commencement date for determining abandonment under article 2;

20.23 (8) state that the holder has complied with the notice requirements of section 345A.501;

20.24 (9) identify property that is a non-freely transferable security and explain why it is a  
20.25 non-freely transferable security; and

20.26 (10) contain other information the administrator prescribes by rules.

20.27 (b) A report under section 345A.401 may include in the aggregate items valued under  
20.28 \$50 each. If the report includes items in the aggregate valued under \$50 each, the  
20.29 administrator may not require the holder to provide the name and address of an apparent  
20.30 owner of an item unless the information is necessary to verify or process a claim in progress  
20.31 by the apparent owner.

21.1 (c) A report under section 345A.401 may include personal information as defined in  
 21.2 section 345A.1401(a) about the apparent owner or the apparent owner's property to the  
 21.3 extent not otherwise prohibited by federal law.

21.4 (d) If a holder has changed its name while holding property presumed abandoned or is  
 21.5 a successor to another person that previously held the property for the apparent owner, the  
 21.6 holder must include in the report under section 345A.401 its former name or the name of  
 21.7 the previous holder, if any, and the known name and address of each previous holder of the  
 21.8 property.

21.9 **Sec. 3. [345A.403] WHEN REPORT TO BE FILED.**

21.10 (a) Except as otherwise provided in subsection (b) and subject to subsection (c), the  
 21.11 report under section 345A.401 must be filed before November 1 of each year and cover the  
 21.12 12 months preceding July 1 of that year.

21.13 (b) Subject to subsection (c), the report under section 345A.401 to be filed by an insurance  
 21.14 company must be filed before May 1 of each year for the immediately preceding calendar  
 21.15 year.

21.16 (c) Before the date for filing the report under section 345A.401, the holder of property  
 21.17 presumed abandoned may request the administrator to extend the time for filing. The  
 21.18 administrator may grant an extension. If the extension is granted, the holder may pay or  
 21.19 make a partial payment of the amount the holder estimates ultimately will be due. The  
 21.20 payment or partial payment terminates accrual of interest on the amount paid.

21.21 **Sec. 4. [345A.404] RETENTION OF RECORDS BY HOLDER.**

21.22 A holder required to file a report under section 345A.401 shall retain records for ten  
 21.23 years after the later of the date the report was filed or the last date a timely report was due  
 21.24 to be filed, unless a shorter period is provided by rule of the administrator. The holder may  
 21.25 satisfy the requirement to retain records under this section through an agent. The records  
 21.26 must contain:

21.27 (1) the information required to be included in the report;

21.28 (2) the date, place, and nature of the circumstances that gave rise to the property right;

21.29 (3) the amount or value of the property;

21.30 (4) the last address of the apparent owner, if known to the holder; and

22.1 (5) if the holder sells, issues, or provides to others for sale or issue in this state traveler's  
 22.2 checks, money orders, or similar instruments, other than third-party bank checks, on which  
 22.3 the holder is directly liable, a record of the instruments while they remain outstanding  
 22.4 indicating the state and date of issue.

22.5 **Sec. 5. [345A.405] PROPERTY REPORTABLE AND PAYABLE OR**  
 22.6 **DELIVERABLE ABSENT OWNER DEMAND.**

22.7 Property is reportable and payable or deliverable under this chapter even if the owner  
 22.8 fails to make demand or present an instrument or document otherwise required to obtain  
 22.9 payment.

22.10 **ARTICLE 5**

22.11 **NOTICE TO APPARENT OWNER OF PROPERTY PRESUMED ABANDONED**

22.12 **Section 1. [345A.501] NOTICE TO APPARENT OWNER BY HOLDER.**

22.13 (a) Subject to subsection (b), the holder of property presumed abandoned shall send to  
 22.14 the apparent owner notice by first-class United States mail that complies with section  
 22.15 345A.502 in a format acceptable to the administrator not more than 180 days nor less than  
 22.16 60 days before filing the report under section 345A.401 if:

22.17 (1) the holder has in its records an address for the apparent owner which the holder's  
 22.18 records do not disclose to be invalid and is sufficient to direct the delivery of first-class  
 22.19 United States mail to the apparent owner; and

22.20 (2) the value of the property is \$50 or more.

22.21 (b) If an apparent owner has consented to receive electronic-mail delivery from the  
 22.22 holder, the holder shall send the notice described in subsection (a) both by first-class United  
 22.23 States mail to the apparent owner's last-known mailing address and by electronic mail,  
 22.24 unless the holder believes that the apparent owner's electronic-mail address is invalid.

22.25 **Sec. 2. [345A.502] CONTENTS OF NOTICE BY HOLDER.**

22.26 (a) Notice under section 345A.501 must contain a heading that reads substantially as  
 22.27 follows: "Notice. The State of Minnesota requires us to notify you that your property may  
 22.28 be transferred to the custody of the commissioner of commerce if you do not contact us  
 22.29 before (insert date that is 30 days after the date of this notice)."

22.30 (b) The notice under section 345A.501 must:

23.1 (1) identify the nature and, except for property that does not have a fixed value, the value  
 23.2 of the property that is the subject of the notice;

23.3 (2) state that the property will be turned over to the administrator;

23.4 (3) state that after the property is turned over to the administrator an apparent owner  
 23.5 that seeks return of the property must file a claim with the administrator;

23.6 (4) state that property that is not legal tender of the United States may be sold by the  
 23.7 administrator; and

23.8 (5) provide instructions that the apparent owner must follow to prevent the holder from  
 23.9 reporting and paying or delivering the property to the administrator.

23.10 **Sec. 3. [345A.503] NOTICE BY ADMINISTRATOR.**

23.11 (a) The administrator shall give notice to an apparent owner that property presumed  
 23.12 abandoned and appears to be owned by the apparent owner is held by the administrator  
 23.13 under this chapter.

23.14 (b) In providing notice under subsection (a), the administrator shall:

23.15 (1) except as otherwise provided in paragraph (2), send written notice by first-class  
 23.16 United States mail to each apparent owner of property valued at \$50 or more held by the  
 23.17 administrator, unless the administrator determines that a mailing by first-class United States  
 23.18 mail would not be received by the apparent owner, and, in the case of a security held in an  
 23.19 account for which the apparent owner had consented to receiving electronic mail from the  
 23.20 holder, send notice by electronic mail if the electronic-mail address of the apparent owner  
 23.21 is known to the administrator instead of by first-class United States mail; or

23.22 (2) send the notice to the apparent owner's electronic-mail address if the administrator  
 23.23 does not have a valid United States mail address for an apparent owner, but has an  
 23.24 electronic-mail address that the administrator does not know to be invalid.

23.25 (c) In addition to the notice under subsection (b), the administrator shall:

23.26 (1) publish every six months in at least one newspaper of general circulation in each  
 23.27 county in this state notice of property held by the administrator which must include:

23.28 (A) the total value of property received by the administrator during the preceding  
 23.29 six-month period, taken from the reports under section 345A.401;

23.30 (B) the total value of claims paid by the administrator during the preceding six-month  
 23.31 period;

24.1 (C) the Internet web address of the unclaimed property Web site maintained by the  
 24.2 administrator;

24.3 (D) a telephone number and electronic-mail address to contact the administrator to  
 24.4 inquire about or claim property; and

24.5 (E) a statement that a person may access the Internet by a computer to search for  
 24.6 unclaimed property and a computer may be available as a service to the public at a local  
 24.7 public library; and

24.8 (2) maintain a Web site or database accessible by the public and electronically searchable  
 24.9 which contains the names reported to the administrator of all apparent owners for whom  
 24.10 property is being held by the administrator.

24.11 (d) The Web site or database maintained under subsection (c)(2) must include instructions  
 24.12 for filing with the administrator a claim to property and a printable claim form with  
 24.13 instructions for its use.

24.14 (e) In addition to giving notice under subsection (b), publishing the information under  
 24.15 subsection (c)(1) and maintaining the Web site or database under subsection (c)(2), the  
 24.16 administrator may use other printed publication, telecommunication, the Internet, or other  
 24.17 media to inform the public of the existence of unclaimed property held by the administrator.

24.18 **Sec. 4. [345A.504] COOPERATION AMONG STATE OFFICERS AND AGENCIES**  
 24.19 **TO LOCATE APPARENT OWNER.**

24.20 Unless prohibited by law of this state other than this chapter, on request of the  
 24.21 administrator, each officer, agency, board, commission, division, and department of this  
 24.22 state, any body politic and corporate created by this state for a public purpose, and each  
 24.23 political subdivision of this state shall make its books and records available to the  
 24.24 administrator and cooperate with the administrator to determine the current address of an  
 24.25 apparent owner of property held by the administrator under this chapter.

24.26 **ARTICLE 6**

24.27 **TAKING CUSTODY OF PROPERTY BY ADMINISTRATOR**

24.28 **Section 1. [345A.601] DEFINITION OF GOOD FAITH.**

24.29 In this article, payment or delivery of property is made in good faith if a holder:

24.30 (1) had a reasonable basis for believing, based on the facts then known, that the property  
 24.31 was required or permitted to be paid or delivered to the administrator under this chapter; or



25.1 (2) made payment or delivery:

25.2 (A) in response to a demand by the administrator or administrator's agent; or

25.3 (B) under a guidance or ruling issued by the administrator which the holder reasonably  
25.4 believed required or permitted the property to be paid or delivered.

25.5 **Sec. 2. [345A.602] DORMANCY CHARGE.**

25.6 (a) A holder may deduct a dormancy charge from property required to be paid or delivered  
25.7 to the administrator if:

25.8 (1) a valid contract between the holder and the apparent owner authorizes imposition of  
25.9 the charge for the apparent owner's failure to claim the property within a specified time;  
25.10 and

25.11 (2) the holder regularly imposes the charge and regularly does not reverse or otherwise  
25.12 cancel the charge.

25.13 (b) The amount of the deduction under subsection (a) is limited to an amount that is not  
25.14 unconscionable considering all relevant factors, including the marginal transactional costs  
25.15 incurred by the holder in maintaining the apparent owner's property and any services received  
25.16 by the apparent owner.

25.17 **Sec. 3. [345A.603] PAYMENT OR DELIVERY OF PROPERTY TO**  
25.18 **ADMINISTRATOR.**

25.19 (a) Except as otherwise provided in this section, on filing a report under section 345A.401,  
25.20 the holder shall pay or deliver to the administrator the property described in the report.

25.21 (b) If property in a report under section 345A.401 is an automatically renewable deposit  
25.22 and a penalty or forfeiture in the payment of interest would result from paying the deposit  
25.23 to the administrator at the time of the report, the date for payment of the property to the  
25.24 administrator is extended until a penalty or forfeiture no longer would result from payment,  
25.25 if the holder informs the administrator of the extended date.

25.26 (c) Tangible property in a safe-deposit box may not be delivered to the administrator  
25.27 until 120 days after filing the report under section 345A.401.

25.28 (d) If property reported to the administrator under section 345A.401 is a security, the  
25.29 administrator may:

26.1 (1) make an endorsement, instruction, or entitlement order on behalf of the apparent  
 26.2 owner to invoke the duty of the issuer, its transfer agent, or the securities intermediary to  
 26.3 transfer the security; or

26.4 (2) dispose of the security under section 345A.702.

26.5 (e) If the holder of property reported to the administrator under section 345A.401 is the  
 26.6 issuer of a certificated security, the administrator may obtain a replacement certificate in  
 26.7 physical or book-entry form under section 336.8-405. An indemnity bond is not required.

26.8 (f) The administrator shall establish procedures for the registration, issuance, method  
 26.9 of delivery, transfer, and maintenance of securities delivered to the administrator by a holder.

26.10 (g) An issuer, holder, and transfer agent or other person acting under this section under  
 26.11 instructions of and on behalf of the issuer or holder is not liable to the apparent owner for,  
 26.12 and must be indemnified by the state against, a claim arising with respect to property after  
 26.13 the property has been delivered to the administrator.

26.14 (h) A holder is not required to deliver to the administrator a security identified by the  
 26.15 holder as a non-freely transferable security. If the administrator or holder determines that  
 26.16 a security is no longer a non-freely transferable security, the holder shall deliver the security  
 26.17 on the next regular date prescribed for delivery of securities under this chapter. The holder  
 26.18 shall make a determination annually whether a security identified in a report filed under  
 26.19 section 345A.401 as a non-freely transferable security is no longer a non-freely transferable  
 26.20 security.

26.21 **Sec. 4. [345A.604] EFFECT OF PAYMENT OR DELIVERY OF PROPERTY TO**  
 26.22 **ADMINISTRATOR.**

26.23 (a) On payment or delivery of property to the administrator under this chapter, the  
 26.24 administrator as agent for the state assumes custody and responsibility for safekeeping the  
 26.25 property. A holder that pays or delivers property to the administrator in good faith and  
 26.26 substantially complies with sections 345A.501 and 345A.502 is relieved of liability arising  
 26.27 thereafter with respect to payment or delivery of the property to the administrator.

26.28 (b) This state shall defend and indemnify a holder against liability on a claim against  
 26.29 the holder resulting from the payment or delivery of property to the administrator made in  
 26.30 good faith and after the holder substantially complied with sections 345A.501 and 345A.502.

27.1 Sec. 5. [345A.605] RECOVERY OF PROPERTY BY HOLDER FROM  
27.2 ADMINISTRATOR.

27.3 (a) A holder that under this chapter pays money to the administrator may file a claim  
27.4 for reimbursement from the administrator of the amount paid if the holder:

27.5 (1) paid the money in error; or

27.6 (2) after paying the money to the administrator, paid money to a person the holder  
27.7 reasonably believed entitled to the money.

27.8 (b) If a claim for reimbursement under subsection (a) is made for a payment made on a  
27.9 negotiable instrument, including a traveler's check, money order, or similar instrument, the  
27.10 holder must submit proof that the instrument was presented and payment was made to a  
27.11 person the holder reasonably believed entitled to payment. The holder may claim  
27.12 reimbursement even if the payment was made to a person whose claim was made after  
27.13 expiration of a period of limitation on the owner's right to receive or recover property,  
27.14 whether specified by contract, statute, or court order.

27.15 (c) If a holder is reimbursed by the administrator under subsection (a)(2), the holder  
27.16 may also recover from the administrator income or gain under section 345A.607 that would  
27.17 have been paid to the owner if the money had been claimed from the administrator by the  
27.18 owner to the extent the income or gain was paid by the holder to the owner.

27.19 (d) A holder that under this chapter delivers property other than money to the  
27.20 administrator may file a claim for return of the property from the administrator if:

27.21 (1) the holder delivered the property in error; or

27.22 (2) the apparent owner has claimed the property from the holder.

27.23 (e) If a claim for return of property under subsection (d) is made, the holder shall include  
27.24 with the claim evidence sufficient to establish that the apparent owner has claimed the  
27.25 property from the holder or that the property was delivered by the holder to the administrator  
27.26 in error.

27.27 (f) The administrator may determine that an affidavit submitted by a holder is evidence  
27.28 sufficient to establish that the holder is entitled to reimbursement or to recover property  
27.29 under this section.

27.30 (g) A holder is not required to pay a fee or other charge for reimbursement or return of  
27.31 property under this section.

28.1 (h) Not later than 90 days after a claim is filed under subsection (a) or (d), the  
 28.2 administrator shall allow or deny the claim and give the claimant notice of the decision in  
 28.3 a record. If the administrator does not take action on a claim during the 90 day period, the  
 28.4 claim is deemed denied.

28.5 (i) The claimant may initiate a proceeding under chapter 14 for review of the  
 28.6 administrator's decision or the deemed denial under subsection (h) not later than:

28.7 (1) 30 days following receipt of the notice of the administrator's decision; or

28.8 (2) 120 days following the filing of a claim under subsection (a) or (d) in the case of a  
 28.9 deemed denial under subsection (h).

28.10 (j) A final decision in an administrative proceeding initiated under subsection (i) is  
 28.11 subject to judicial review by the court as a matter of right in a de novo proceeding on the  
 28.12 record in which either party is entitled to introduce evidence as a supplement to the record.

28.13 **Sec. 6. [345A.606] PROPERTY REMOVED FROM SAFE-DEPOSIT BOX.**

28.14 Property removed from a safe-deposit box and delivered under this chapter to the  
 28.15 administrator under this chapter is subject to the holder's right to reimbursement for the cost  
 28.16 of opening the box and a lien or contract providing reimbursement to the holder for unpaid  
 28.17 rent charges for the box. The administrator shall reimburse the holder from the proceeds  
 28.18 remaining after deducting the expense incurred by the administrator in selling the property.

28.19 **Sec. 7. [345A.607] CREDITING INCOME OR GAIN TO OWNER'S ACCOUNT.**

28.20 (a) If property other than money is delivered to the administrator, the owner is entitled  
 28.21 to receive from the administrator income or gain realized or accrued on the property before  
 28.22 the property is sold. If the property was an interest-bearing demand, savings, or time deposit,  
 28.23 the administrator shall pay interest at the lesser of the rate of six percent or the rate the  
 28.24 property earned while in the possession of the holder. Interest begins to accrue when the  
 28.25 property is delivered to the administrator and ends on the earlier of the expiration of ten  
 28.26 years after its delivery or the date on which payment is made to the owner.

28.27 (b) Interest on interest-bearing property is not payable under this section for any period  
 28.28 before the effective date of this chapter, unless authorized by .....

28.29 **Sec. 8. [345A.608] ADMINISTRATOR'S OPTIONS AS TO CUSTODY.**

28.30 (a) The administrator may decline to take custody of property reported under section  
 28.31 345A.401 if the administrator determines that:

29.1 (1) the property has a value less than the estimated expenses of notice and sale of the  
 29.2 property; or

29.3 (2) taking custody of the property would be unlawful.

29.4 (b) A holder may pay or deliver property to the administrator before the property is  
 29.5 presumed abandoned under this chapter if the holder:

29.6 (1) sends the apparent owner of the property notice required by section 345A.501 and  
 29.7 provides the administrator evidence of the holder's compliance with this paragraph;

29.8 (2) includes with the payment or delivery a report regarding the property conforming to  
 29.9 section 345A.402; and

29.10 (3) first obtains the administrator's consent in a record to accept payment or delivery.

29.11 (c) A holder's request for the administrator's consent under subsection (b)(3) must be in  
 29.12 a record. If the administrator fails to respond to the request not later than 30 days after  
 29.13 receipt of the request, the administrator is deemed to consent to the payment or delivery of  
 29.14 the property and the payment or delivery is considered to have been made in good faith.

29.15 (d) On payment or delivery of property under subsection (b), the property is presumed  
 29.16 abandoned.

29.17 **Sec. 9. [345A.609] DISPOSITION OF PROPERTY HAVING NO SUBSTANTIAL**  
 29.18 **VALUE; IMMUNITY FROM LIABILITY.**

29.19 (a) If the administrator takes custody of property delivered under this chapter and later  
 29.20 determines that the property has no substantial commercial value or that the cost of disposing  
 29.21 of the property will exceed the value of the property, the administrator may return the  
 29.22 property to the holder or destroy or otherwise dispose of the property.

29.23 (b) An action or proceeding may not be commenced against the state, an agency of the  
 29.24 state, the administrator, another officer, employee, or agent of the state, or a holder for or  
 29.25 because of an act of the administrator under this section, except for intentional misconduct  
 29.26 or malfeasance.

29.27 **Sec. 10. [345A.610] PERIODS OF LIMITATION AND REPOSE.**

29.28 (a) Expiration, before, on, or after the effective date of this chapter, of a period of  
 29.29 limitation on an owner's right to receive or recover property, whether specified by contract,  
 29.30 statute, or court order, does not prevent the property from being presumed abandoned or

30.1 affect the duty of a holder under this chapter to file a report or pay or deliver property to  
 30.2 the administrator.

30.3 (b) The administrator may not commence an action or proceeding to enforce this chapter  
 30.4 with respect to the reporting, payment, or delivery of property more than five years after  
 30.5 the holder filed a nonfraudulent report under section 345A.401 with the administrator. The  
 30.6 parties may agree in a record to extend the limitation in this subsection.

30.7 (c) The administrator may not commence an action, proceeding, or examination with  
 30.8 respect to a duty of a holder under this chapter more than ten years after the duty arose.

## 30.9 **ARTICLE 7**

### 30.10 **SALE OF PROPERTY BY ADMINISTRATOR**

#### 30.11 Section 1. **[345A.701] PUBLIC SALE OF PROPERTY.**

30.12 (a) Subject to section 345A.702, not earlier than three years after receipt of property  
 30.13 presumed abandoned, the administrator may sell the property.

30.14 (b) Before selling property under subsection (a), the administrator shall give notice to  
 30.15 the public of:

30.16 (1) the date of the sale; and

30.17 (2) a reasonable description of the property.

30.18 (c) A sale under subsection (a) must be to the highest bidder:

30.19 (1) at public sale at a location in this state which the administrator determines to be the  
 30.20 most favorable market for the property;

30.21 (2) on the Internet; or

30.22 (3) on another forum the administrator determines is likely to yield the highest net  
 30.23 proceeds of sale.

30.24 (d) The administrator may decline the highest bid at a sale under this section and reoffer  
 30.25 the property for sale if the administrator determines the highest bid is insufficient.

30.26 (e) If a sale held under this section is to be conducted other than on the Internet, the  
 30.27 administrator must publish at least one notice of the sale, at least three weeks but not more  
 30.28 than five weeks before the sale, in a newspaper of general circulation in the county in which  
 30.29 the property is sold.

31.1 **Sec. 2. [345A.702] DISPOSAL OF SECURITIES.**

31.2 (a) The administrator may not sell or otherwise liquidate a security until three years after  
31.3 the administrator receives the security and gives the apparent owner notice under section  
31.4 345A.503 that the administrator holds the security.

31.5 (b) The administrator may not sell a security listed on an established stock exchange for  
31.6 less than the price prevailing on the exchange at the time of sale. The administrator may  
31.7 sell a security not listed on an established exchange by any commercially-reasonable method.

31.8 **Sec. 3. [345A.703] RECOVERY OF SECURITIES OR VALUE BY OWNER.**

31.9 (a) If the administrator sells a security before the expiration of six years after delivery  
31.10 of the security to the administrator, an apparent owner that files a valid claim under this  
31.11 chapter of ownership of the security before the six-year period expires is entitled, at the  
31.12 option of the administrator, to receive:

31.13 (1) replacement of the security; or

31.14 (2) the market value of the security at the time the claim is filed, plus dividends, interest,  
31.15 and other increments on the security up to the time the claim is paid.

31.16 (b) Replacement of the security or calculation of market value under subsection (a) must  
31.17 take into account a stock split, reverse stock split, stock dividend, or similar corporate action.

31.18 (c) A person that makes a valid claim under this chapter of ownership of a security after  
31.19 expiration of six years after delivery of the security to the administrator is entitled to receive:

31.20 (1) the security the holder delivered to the administrator, if it is in the custody of the  
31.21 administrator, plus dividends, interest, and other increments on the security up to the time  
31.22 the administrator delivers the security to the person; or

31.23 (2) the net proceeds of the sale of the security, plus dividends, interest, and other  
31.24 increments on the security up to the time the security was sold.

31.25 **Sec. 4. [345A.704] PURCHASER OWNS PROPERTY AFTER SALE.**

31.26 A purchaser of property at a sale conducted by the administrator under this chapter takes  
31.27 the property free of all claims of the owner, a previous holder, or a person claiming through  
31.28 the owner or holder. The administrator shall execute documents necessary to complete the  
31.29 transfer of ownership to the purchaser.

32.1 **Sec. 5. [345A.705] MILITARY MEDAL OR DECORATION.**

32.2 (a) The administrator may not sell a medal or decoration awarded for military service  
 32.3 in the armed forces of the United States.

32.4 (b) The administrator, with the consent of the respective organization under paragraph  
 32.5 (1), agency under paragraph (2), or entity under paragraph (3), may deliver a medal or  
 32.6 decoration described in subsection (a) to be held in custody for the owner, to:

32.7 (1) a military veterans organization qualified under the Internal Revenue Code, as  
 32.8 amended, Unites States Code, title 26, section 501(c)(19);

32.9 (2) the agency that awarded the medal or decoration; or

32.10 (3) a governmental entity.

32.11 (c) On delivery under subsection (b), the administrator is not responsible for safekeeping  
 32.12 the medal or decoration.

32.13 **ARTICLE 8**

32.14 **ADMINISTRATION OF PROPERTY**

32.15 **Section 1. [345A.801] DEPOSIT OF FUNDS BY ADMINISTRATOR.**

32.16 (a) Except as otherwise provided in this section, the administrator shall deposit in the  
 32.17 general fund all funds received under this chapter, including proceeds from the sale of  
 32.18 property under article 7.

32.19 (b) The administrator shall maintain an account with an amount of funds the administrator  
 32.20 reasonably estimates is sufficient to pay claims allowed under this chapter in each fiscal  
 32.21 year. If the aggregate amount of claims by owners allowed at any time exceeds the amount  
 32.22 held in the account, an excess claim must be paid out of the general funds.

32.23 **Sec. 2. [345A.802] ADMINISTRATOR TO RETAIN RECORDS OF PROPERTY.**

32.24 The administrator shall:

32.25 (1) record and retain the name and last-known address of each person shown on a report  
 32.26 filed under section 345A.401 to be the apparent owner of property delivered to the  
 32.27 administrator;

32.28 (2) record and retain the name and last-known address of each insured or annuitant and  
 32.29 beneficiary shown on the report;



33.1 (3) for each policy of insurance or annuity contract listed in the report of an insurance  
 33.2 company, record and retain the policy or account number, the name of the company, and  
 33.3 the amount due or paid; and

33.4 (4) for each apparent owner listed in the report, record and retain the name of the holder  
 33.5 that filed the report and the amount due or paid.

33.6 **Sec. 3. [345A.803] EXPENSES AND SERVICE CHARGES OF ADMINISTRATOR.**

33.7 Before making a deposit of funds received under this chapter to the general fund, the  
 33.8 administrator may deduct:

33.9 (1) expenses of disposition of property delivered to the administrator under this chapter;

33.10 (2) costs of mailing and publication in connection with property delivered to the  
 33.11 administrator under this chapter;

33.12 (3) reasonable service charges; and

33.13 (4) expenses incurred in examining records of or collecting property from a putative  
 33.14 holder or holder.

33.15 **Sec. 4. [345A.804] ADMINISTRATOR HOLDS PROPERTY AS CUSTODIAN FOR**  
 33.16 **OWNER.**

33.17 Property received by the administrator under this chapter is held in custody for the benefit  
 33.18 of the owner and is not owned by the state.

## 33.19 **ARTICLE 9**

### 33.20 **CLAIM TO RECOVER PROPERTY FROM ADMINISTRATOR**

33.21 **Section 1. [345A.901] CLAIM OF ANOTHER STATE TO RECOVER PROPERTY.**

33.22 (a) If the administrator knows that property held by the administrator under this chapter  
 33.23 is subject to a superior claim of another state, the administrator shall:

33.24 (1) report and pay or deliver the property to the other state; or

33.25 (2) return the property to the holder so that the holder may pay or deliver the property  
 33.26 to the other state.

33.27 (b) The administrator is not required to enter into an agreement to transfer property to  
 33.28 the other state under subsection (a).

34.1 Sec. 2. [345A.902] WHEN PROPERTY SUBJECT TO RECOVERY BY ANOTHER  
34.2 STATE.

34.3 (a) Property held under this chapter by the administrator is subject to the right of another  
34.4 state to take custody of the property if:

34.5 (1) the property was paid or delivered to the administrator because the records of the  
34.6 holder did not reflect a last-known address in the other state of the apparent owner and:

34.7 (A) the other state establishes that the last-known address of the apparent owner or other  
34.8 person entitled to the property was in the other state; or

34.9 (B) under the law of the other state, the property has become subject to a claim by the  
34.10 other state of abandonment;

34.11 (2) the records of the holder did not accurately identify the owner of the property, the  
34.12 last-known address of the owner was in another state, and, under the law of the other state,  
34.13 the property has become subject to a claim by the other state of abandonment;

34.14 (3) the property was subject to the custody of the administrator of this state under section  
34.15 345A.305 and, under the law of the state of domicile of the holder, the property has become  
34.16 subject to a claim by the state of domicile of the holder of abandonment; or

34.17 (4) the property:

34.18 (A) is a sum payable on a traveler's check, money order, or similar instrument that was  
34.19 purchased in the other state and delivered to the administrator under section 345A.306; and

34.20 (B) under the law of the other state, has become subject to a claim by the other state of  
34.21 abandonment.

34.22 (b) A claim by another state to recover property under this section must be presented in  
34.23 a form prescribed by the administrator, unless the administrator waives presentation of the  
34.24 form.

34.25 (c) The administrator shall decide a claim under this section not later than 90 days after  
34.26 it is presented. If the administrator determines that the other state is entitled under subsection  
34.27 (a) to custody of the property, the administrator shall allow the claim and pay or deliver the  
34.28 property to the other state.

34.29 (d) The administrator may require another state, before recovering property under this  
34.30 section, to agree to indemnify this state and its agents, officers and employees against any  
34.31 liability on a claim to the property.

35.1 Sec. 3. **[345A.903] CLAIM FOR PROPERTY BY PERSON CLAIMING TO BE**  
35.2 **OWNER.**

35.3 (a) A person claiming to be the owner of property held under this chapter by the  
35.4 administrator may file a claim for the property on a form prescribed by the administrator.  
35.5 The claimant must verify the claim as to its completeness and accuracy.

35.6 (b) The administrator may waive the requirement in subsection (a) and may pay or  
35.7 deliver property directly to a person if:

35.8 (1) the person receiving the property or payment is shown to be the apparent owner  
35.9 included on a report filed under section 345A.401;

35.10 (2) the administrator reasonably believes the person is entitled to receive the property  
35.11 or payment; and

35.12 (3) the property has a value of less than \$250.

35.13 Sec. 4. **[345A.904] WHEN ADMINISTRATOR MUST HONOR CLAIM FOR**  
35.14 **PROPERTY.**

35.15 (a) The administrator shall pay or deliver property to a claimant under section  
35.16 345A.903(a) if the administrator receives evidence sufficient to establish to the satisfaction  
35.17 of the administrator that the claimant is the owner of the property.

35.18 (b) Not later than 90 days after a claim is filed under section 345A.903(a), the  
35.19 administrator shall allow or deny the claim and give the claimant notice in a record of the  
35.20 decision.

35.21 (c) If the claim is denied under subsection (b):

35.22 (1) the administrator shall inform the claimant of the reason for the denial and specify  
35.23 what additional evidence, if any, is required for the claim to be allowed;

35.24 (2) the claimant may file an amended claim with the administrator or commence an  
35.25 action under section 345A.906; and

35.26 (3) the administrator shall consider an amended claim filed under paragraph (2) as an  
35.27 initial claim.

35.28 (d) If the administrator does not take action on a claim during the 90-day period following  
35.29 the filing of a claim under section 345A.903(a), the claim is deemed denied.

36.1 **Sec. 5. [345A.905] ALLOWANCE OF CLAIM FOR PROPERTY.**

36.2 (a) Not later than 30 days after a claim is allowed under section 345A.904(b), the  
 36.3 administrator shall pay or deliver to the owner the property or pay to the owner the net  
 36.4 proceeds of a sale of the property, together with income or gain to which the owner is entitled  
 36.5 under section 345A.607. On request of the owner, the administrator may sell or liquidate a  
 36.6 security and pay the net proceeds to the owner, even if the security had been held by the  
 36.7 administrator for less than three years or the administrator has not complied with the notice  
 36.8 requirements under section 345A.702.

36.9 (b) Property held under this chapter by the administrator is subject to a claim for the  
 36.10 payment of an enforceable debt the owner owes in this state for:

36.11 (1) child-support arrearages, including child-support collection costs and child-support  
 36.12 arrears that are combined with maintenance;

36.13 (2) a civil or criminal fine or penalty, court costs, a surcharge, or restitution imposed by  
 36.14 a final order of an administrative agency or a final court judgment; or

36.15 (3) state taxes, penalties, and interest that have been determined to be delinquent or as  
 36.16 to which notice has been recorded with the secretary of state.

36.17 (c) Before delivery or payment to an owner under subsection (a) of property or payment  
 36.18 to the owner of net proceeds of a sale of the property, the administrator first shall apply the  
 36.19 property or net proceeds to a debt under subsection (b) the administrator determines is owed  
 36.20 by the owner. The administrator shall pay the amount to the appropriate state agency and  
 36.21 notify the owner of the payment.

36.22 (d) The administrator may make periodic inquiries of state and local agencies in the  
 36.23 absence of a claim filed under section 345A.903 to determine whether an apparent owner  
 36.24 included in the unclaimed-property records of this state have enforceable debts described  
 36.25 in subsection (b). The administrator first shall apply the property or net proceeds of a sale  
 36.26 of property held by the administrator to a debt under subsection (b) of an apparent owner  
 36.27 which appears in the records of the administrator and deliver the amount to the appropriate  
 36.28 state agency. The administrator shall notify the apparent owner of the payment.

36.29 **Sec. 6. [345A.906] ACTION BY PERSON WHOSE CLAIM IS DENIED.**

36.30 Not later than one year after filing a claim under section 345A.903(a), the claimant may  
 36.31 commence an action against the administrator in the district court to establish a claim that  
 36.32 has been denied or deemed denied under section 345A.904(d). On final determination of

37.1 the action, the court may, on application, award to the prevailing party its reasonable  
 37.2 attorney's fees, costs, and expenses of litigation.

37.3 **ARTICLE 10**

37.4 **VERIFIED REPORT OF PROPERTY; EXAMINATION OF RECORDS**

37.5 Section 1. **[345.1001] VERIFIED REPORT OF PROPERTY.**

37.6 If a person does not file a report required by section 345A.401 or the administrator  
 37.7 believes that a person may have filed an inaccurate, incomplete, or false report, the  
 37.8 administrator may require the person to file a verified report in a form prescribed by the  
 37.9 administrator. The verified report must:

37.10 (1) state whether the person is holding property reportable under this chapter;

37.11 (2) describe property not previously reported or about which the administrator has  
 37.12 inquired;

37.13 (3) specifically identify property described under paragraph (2) about which there is a  
 37.14 dispute whether it is reportable under this chapter; and

37.15 (4) state the amount or value of the property.

37.16 Sec. 2. **[345A.1002] EXAMINATION OF RECORDS TO DETERMINE**  
 37.17 **COMPLIANCE.**

37.18 The administrator, at reasonable times and on reasonable notice, may:

37.19 (1) examine the records of a person, including examination of appropriate records in the  
 37.20 possession of an agent of the person under examination, if the records are reasonably  
 37.21 necessary to determine whether the person has complied with this chapter;

37.22 (2) issue an administrative subpoena requiring the person or agent of the person to make  
 37.23 records available for examination; and

37.24 (3) bring an action seeking judicial enforcement of the subpoena.

37.25 Sec. 3. **[345A.1003] RULES FOR CONDUCTING EXAMINATION.**

37.26 (a) The administrator shall adopt rules governing procedures and standards for an  
 37.27 examination under section 345A.1002, including rules for use of an estimation, extrapolation,  
 37.28 and statistical sampling in conducting an examination.

38.1 (b) An examination under section 345A.1002 must be performed under rules adopted  
38.2 under subsection (a) and with generally accepted examination practices and standards  
38.3 applicable to an unclaimed-property examination.

38.4 (c) If a person subject to examination under section 345A.1002 has filed the reports  
38.5 required under sections 345A.401 and 345A.1001 and has retained the records required by  
38.6 section 345A.404, the following rules apply:

38.7 (1) The examination must include a review of the person's records.

38.8 (2) The examination may not be based on an estimate unless the person expressly consents  
38.9 in a record to the use of an estimate.

38.10 (3) The person conducting the examination shall consider the evidence presented in  
38.11 good faith by the person in preparing the findings of the examination under section  
38.12 345A.1007.

38.13 **Sec. 4. [345A.1004] RECORDS OBTAINED IN EXAMINATION.**

38.14 Records obtained and records, including work papers, compiled by the administrator in  
38.15 the course of conducting an examination under section 345A.1002:

38.16 (1) are subject to the confidentiality and security provisions of article 14 and are not  
38.17 public records;

38.18 (2) may be used by the administrator in an action to collect property or otherwise enforce  
38.19 this chapter;

38.20 (3) may be used in a joint examination conducted with another state, the United States,  
38.21 a foreign country or subordinate unit of a foreign country, or any other governmental entity  
38.22 if the governmental entity conducting the examination is legally bound to maintain the  
38.23 confidentiality and security of information obtained from a person subject to examination  
38.24 in a manner substantially equivalent to article 14;

38.25 (4) must be disclosed, on request, to the person that administers the unclaimed property  
38.26 law of another state for that state's use in circumstances equivalent to circumstances described  
38.27 in this chapter, if the other state is required to maintain the confidentiality and security of  
38.28 information obtained in a manner substantially equivalent to article 14;

38.29 (5) must be produced by the administrator under an administrative or judicial subpoena  
38.30 or administrative or court order; and

38.31 (6) must be produced by the administrator on request of the person subject to the  
38.32 examination in an administrative or judicial proceeding relating to the property.

39.1 **Sec. 5. [345A.1005] EVIDENCE OF UNPAID DEBT OR UNDISCHARGED**  
 39.2 **OBLIGATION.**

39.3 (a) A record of a putative holder showing an unpaid debt or undischarged obligation is  
 39.4 prima facie evidence of the debt or obligation.

39.5 (b) A putative holder may establish by a preponderance of the evidence that there is no  
 39.6 unpaid debt or undischarged obligation for a debt or obligation described in subsection (a)  
 39.7 or that the debt or obligation was not, or no longer is, a fixed and certain obligation of the  
 39.8 putative holder.

39.9 (c) A putative holder may overcome prima facie evidence under subsection (a) by  
 39.10 establishing by a preponderance of the evidence that a check, draft, or similar instrument  
 39.11 was:

39.12 (1) issued as an unaccepted offer in settlement of an unliquidated amount;

39.13 (2) issued but later was replaced with another instrument because the earlier instrument  
 39.14 was lost or contained an error that was corrected;

39.15 (3) issued to a party affiliated with the issuer;

39.16 (4) paid, satisfied, or discharged;

39.17 (5) issued in error;

39.18 (6) issued without consideration;

39.19 (7) issued but there was a failure of consideration;

39.20 (8) voided within a reasonable time after issuance for a valid business reason set forth  
 39.21 in a contemporaneous record; or

39.22 (9) issued but not delivered to the third-party payee for a sufficient reason recorded  
 39.23 within a reasonable time after issuance.

39.24 (d) In asserting a defense under this section, a putative holder may present evidence of  
 39.25 a course of dealing between the putative holder and the apparent owner or of custom and  
 39.26 practice.

39.27 **Sec. 6. [345A.1006] FAILURE OF PERSON EXAMINED TO RETAIN RECORDS.**

39.28 If a person subject to examination under section 345A.1002 does not retain the records  
 39.29 required by section 345A.404, the administrator may determine the value of property due  
 39.30 using a reasonable method of estimation based on all information available to the  
 39.31 administrator, including extrapolation and use of statistical sampling when appropriate and

40.1 necessary, consistent with examination procedures and standards adopted under section  
 40.2 345A.1003(a) and in accord with section 345A.1003(b).

40.3 **Sec. 7. [345A.1007] REPORT TO PERSON WHOSE RECORDS WERE EXAMINED.**

40.4 At the conclusion of an examination under section 345A.1002, the administrator shall  
 40.5 provide to the person whose records were examined a complete and unredacted examination  
 40.6 report that specifies:

40.7 (1) the work performed;

40.8 (2) the property types reviewed;

40.9 (3) the methodology of any estimation technique, extrapolation, or statistical sampling  
 40.10 used in conducting the examination;

40.11 (4) each calculation showing the value of property determined to be due; and

40.12 (5) the findings of the person conducting the examination.

40.13 **Sec. 8. [345A.1008] COMPLAINT TO ADMINISTRATOR ABOUT CONDUCT OF**  
 40.14 **PERSON CONDUCTING EXAMINATION.**

40.15 (a) If a person subject to examination under section 345A.1002 believes the person  
 40.16 conducting the examination has made an unreasonable or unauthorized request or is not  
 40.17 proceeding expeditiously to complete the examination, the person in a record may ask the  
 40.18 administrator to intervene and take appropriate remedial action, including countermanding  
 40.19 the request of the person conducting the examination, imposing a time limit for completion  
 40.20 of the examination, or reassigning the examination to another person.

40.21 (b) If a person in a record requests a conference with the administrator to present matters  
 40.22 that are the basis of a request under subsection (a), the administrator shall hold the conference  
 40.23 not later than 30 days after receiving the request. The administrator may hold the conference  
 40.24 in person, by telephone, or by electronic means.

40.25 (c) If a conference is held under subsection (b), not later than 30 days after the conference  
 40.26 ends, the administrator shall provide a report in a record of the conference to the person  
 40.27 that requested the conference.

40.28 **Sec. 9. [345A.1009] ADMINISTRATOR'S CONTRACT WITH ANOTHER TO**  
 40.29 **CONDUCT EXAMINATION.**

40.30 (a) In this section, "related to the administrator" refers to an individual who is:



41.1 (1) the administrator's spouse, partner in a civil union, domestic partner, or reciprocal  
41.2 beneficiary;

41.3 (2) the administrator's child, stepchild, grandchild, parent, stepparent, sibling, step-sibling,  
41.4 half-sibling, aunt, uncle, niece, or nephew;

41.5 (3) a spouse, partner in a civil union, domestic partner, or reciprocal beneficiary of an  
41.6 individual under paragraph (2); or

41.7 (4) any individual residing in the administrator's household.

41.8 (b) The administrator may contract with a person to conduct an examination under this  
41.9 article.

41.10 (c) If the person with which the administrator contracts under subsection (b) is:

41.11 (1) an individual, the individual may not be related to the administrator; or

41.12 (2) a business entity, the entity may not be owned in whole or in part by the administrator  
41.13 or an individual related to the administrator.

41.14 (d) At least 60 days before assigning a person under contract with the administrator  
41.15 under subsection (b) to conduct an examination, the administrator shall demand in a record  
41.16 that the person to be examined submit a report and deliver property that is previously  
41.17 unreported.

41.18 (e) If the administrator contracts with a person under subsection (b):

41.19 (1) the contract may provide for compensation of the person based on a fixed fee, hourly  
41.20 fee, or contingent fee;

41.21 (2) a contingent fee arrangement may not provide for a payment that exceeds ten percent  
41.22 of the amount or value of property paid or delivered as a result of the examination; and

41.23 (3) on request by a person subject to examination by a contractor, the administrator shall  
41.24 deliver to the person a complete and unredacted copy of the contract and any contract  
41.25 between the contractor and a person employed or engaged by the contractor to conduct the  
41.26 examination.

41.27 (f) A contract under subsection (b) is subject to public disclosure without redaction.

41.28 **Sec. 10. [345A.1010] LIMIT ON FUTURE EMPLOYMENT.**

41.29 The administrator or an individual employed by the administrator who participates in,  
41.30 recommends, or approves the award of a contract under section 345A.1009(b) on or after  
41.31 the effective date of this chapter may not be employed by, contracted with, or compensated

42.1 in any capacity by the contractor or an affiliate of the contractor for two years after the latest  
 42.2 of participation in, recommendation of, or approval of the award or conclusion of the contract.

42.3 **Sec. 11. [345A.1011] REPORT BY ADMINISTRATOR TO STATE OFFICIAL.**

42.4 (a) Not later than three months after the end of the state fiscal year, the administrator  
 42.5 shall compile and submit a report to the governor, president of the senate, and speaker of  
 42.6 the house of representatives. The report must contain the following information about  
 42.7 property presumed abandoned for the preceding fiscal year for the state:

42.8 (1) the total amount and value of all property paid or delivered under this chapter to the  
 42.9 administrator, separated into:

42.10 (A) the part voluntarily paid or delivered; and

42.11 (B) the part paid or delivered as a result of an examination under section 345A.1002,  
 42.12 separated into the part recovered as a result of an examination conducted by:

42.13 (i) a state employee; and

42.14 (ii) a contractor under section 345A.1009;

42.15 (2) the name of and amount paid to each contractor under section 345A.1009 and the  
 42.16 percentage the total compensation paid to all contractors under section 345A.1009 bears to  
 42.17 the total amount paid or delivered to the administrator as a result of all examinations  
 42.18 performed under section 345A.1009;

42.19 (3) the total amount and value of all property paid or delivered by the administrator to  
 42.20 persons that made claims for property held by the administrator under this chapter and the  
 42.21 percentage the total payments made and value of property delivered to claimants bears to  
 42.22 the total amounts paid and value delivered to the administrator; and

42.23 (4) the total amount of claims made by persons claiming to be owners which:

42.24 (A) were denied;

42.25 (B) were allowed; and

42.26 (C) are pending.

42.27 (b) The report under subsection (a) is a public record subject to public disclosure without  
 42.28 redaction.

43.1 Sec. 12. [345A.1012] DETERMINATION OF LIABILITY FOR UNREPORTED  
 43.2 REPORTABLE PROPERTY.

43.3 If the administrator determines from an examination conducted under section 345A.1002  
 43.4 that a putative holder failed or refused to pay or deliver to the administrator property which  
 43.5 is reportable under this chapter, the administrator shall issue a determination of the putative  
 43.6 holder's liability to pay or deliver and give notice in a record to the putative holder of the  
 43.7 determination.

43.8 **ARTICLE 11**

43.9 **DETERMINATION OF LIABILITY; PUTATIVE HOLDER REMEDIES**

43.10 Section 1. [345A.1101] INFORMAL CONFERENCE.

43.11 (a) Not later than 30 days after receipt of a notice under section 345A.1012, the putative  
 43.12 holder may request an informal conference with the administrator to review the determination.  
 43.13 Except as otherwise provided in this section, the administrator may designate an employee  
 43.14 to act on behalf of the administrator.

43.15 (b) If a putative holder makes a timely request under subsection (a) for an informal  
 43.16 conference:

43.17 (1) not later than 20 days after the date of the request, the administrator shall set the time  
 43.18 and place of the conference;

43.19 (2) the administrator shall give the putative holder notice in a record of the time and  
 43.20 place of the conference;

43.21 (3) the conference may be held in person, by telephone, or by electronic means, as  
 43.22 determined by the administrator;

43.23 (4) the request tolls the 90-day period under sections 345A.1103 and 345A.1104 until  
 43.24 notice of a decision under paragraph (7) has been given to the putative holder or the putative  
 43.25 holder withdraws the request for the conference;

43.26 (5) the conference may be postponed, adjourned, and reconvened as the administrator  
 43.27 determines appropriate;

43.28 (6) the administrator or administrator's designee with the approval of the administrator  
 43.29 may modify a determination made under section 345A.1012 or withdraw it; and

43.30 (7) the administrator shall issue a decision in a record and provide a copy of the record  
 43.31 to the putative holder and examiner not later than 20 days after the conference ends.

44.1 (c) A conference under subsection (b) is not an administrative remedy and is not a  
44.2 contested case subject to chapter 14. An oath is not required and rules of evidence do not  
44.3 apply in the conference.

44.4 (d) At a conference under subsection (b), the putative holder must be given an opportunity  
44.5 to confer informally with the administrator and the person that examined the records of the  
44.6 putative holder to:

44.7 (1) discuss the determination made under section 345A.1012; and

44.8 (2) present any issue concerning the validity of the determination.

44.9 (e) If the administrator fails to act within the period prescribed in subsection (b)(1) or  
44.10 (7), the failure does not affect a right of the administrator, except that interest does not  
44.11 accrue on the amount for which the putative holder was determined to be liable under section  
44.12 345A.1012 during the period in which the administrator failed to act until the earlier of:

44.13 (1) the date under section 345A.1103 the putative holder initiates administrative review  
44.14 or files an action under section 345A.1104; or

44.15 (2) 90 days after the putative holder received notice of the administrator's determination  
44.16 under section 345A.1012 if no review was initiated under section 345A.1103 and no action  
44.17 was filed under section 345A.1104.

44.18 (f) The administrator may hold an informal conference with a putative holder about a  
44.19 determination under section 345A.1012 without a request at any time before the putative  
44.20 holder initiates administrative review under section 345A.1103 or files an action under  
44.21 section 345A.1104.

44.22 (g) Interest and penalties under section 345A.1204 continue to accrue on property not  
44.23 reported, paid, or delivered as required by this chapter after the initiation, and during the  
44.24 pendency, of an informal conference under this section.

44.25 **Sec. 2. [345A.1102] REVIEW OF ADMINISTRATOR'S DETERMINATION.**

44.26 A putative holder may seek relief from a determination under section 345A.1012 by:

44.27 (1) administrative review under section 345A.1103; or

44.28 (2) judicial review under section 345A.1104.

45.1 Sec. 3. **[345A.1103] ADMINISTRATIVE REVIEW.**

45.2 (a) Not later than 90 days after receiving notice of the administrator's determination  
45.3 under section 345A.1012, a putative holder may initiate a proceeding under chapter 14 for  
45.4 review of the administrator's determination.

45.5 (b) A final decision in an administrative proceeding initiated under subsection (a) is  
45.6 subject to judicial review by the court as a matter of right in a de novo proceeding on the  
45.7 record in which either party is entitled to introduce evidence as a supplement to the record.

45.8 Sec. 4. **[345A.1104] JUDICIAL REMEDY.**

45.9 (a) Not later than 90 days after receiving notice of the administrator's determination  
45.10 under section 345A.1012, the putative holder may:

45.11 (1) file an action against the administrator in the district court challenging the  
45.12 administrator's determination of liability and seeking a declaration that the determination  
45.13 is unenforceable, in whole or in part; or

45.14 (2) pay the amount or deliver the property determined by the administrator to be paid  
45.15 or delivered to the administrator and, not later than six months after payment or delivery,  
45.16 file an action against the administrator in the district court for a refund of all or part of the  
45.17 amount paid or return of all or part of the property delivered.

45.18 (b) If a putative holder pays or delivers property the administrator determined must be  
45.19 paid or delivered to the administrator at any time after the putative holder files an action  
45.20 under subsection (a)(1), the court shall continue the action as if it had been filed originally  
45.21 as an action for a refund or return of property under subsection (a)(2).

45.22 (c) On the final determination of an action filed under subsection (a), the court may, on  
45.23 application, award to the prevailing party its reasonable attorney's fees, costs, and expenses,  
45.24 of litigation.

45.25 (d) A putative holder that is the prevailing party in an action under subsection (a)(2) for  
45.26 refund of money paid to the administrator is entitled to interest on the amount refunded, at  
45.27 the same rate a holder is required to pay to the administrator under section 345A.1204(a),  
45.28 from the date paid to the administrator until the date of the refund.

45.29 **ARTICLE 12**

45.30 **ENFORCEMENT BY ADMINISTRATOR**

45.31 Section 1. **[345A.1201] JUDICIAL ACTION TO ENFORCE LIABILITY.**

46.1 (a) If a determination under section 345A.1012 becomes final and is not subject to  
 46.2 administrative or judicial review, the administrator may commence an action in the district  
 46.3 court or in an appropriate court of another state to enforce the determination and secure  
 46.4 payment or delivery of past due, unpaid, or undelivered property. The action must be brought  
 46.5 not later than one year after the determination becomes final.

46.6 (b) In an action under subsection (a), if no court in this state has jurisdiction over the  
 46.7 defendant, the administrator may commence an action in any court having jurisdiction over  
 46.8 the defendant.

46.9 **Sec. 2. [345A.1202] INTERSTATE AND INTERNATIONAL AGREEMENT;**  
 46.10 **COOPERATION.**

46.11 (a) Subject to subsection (b), the administrator may:

46.12 (1) exchange information with another state or foreign country relating to property  
 46.13 presumed abandoned or relating to the possible existence of property presumed abandoned;  
 46.14 and

46.15 (2) authorize in a record another state or foreign country or a person acting on behalf of  
 46.16 the other state or country to examine its records of a putative holder as provided in article  
 46.17 10.

46.18 (b) An exchange or examination under subsection (a) may be done only if the state or  
 46.19 foreign country has confidentiality and security requirements substantially equivalent to  
 46.20 those in article 14 or agrees in a record to be bound by this state's confidentiality and security  
 46.21 requirements.

46.22 **Sec. 3. [345A.1203] ACTION INVOLVING ANOTHER STATE OR FOREIGN**  
 46.23 **COUNTRY.**

46.24 (a) The administrator may join another state or foreign country to examine and seek  
 46.25 enforcement of this chapter against a putative holder.

46.26 (b) On request of another state or foreign country, the attorney general may commence  
 46.27 an action on behalf of the other state or country to enforce, in this state, the law of the other  
 46.28 state or country against a putative holder subject to a claim by the other state or country, if  
 46.29 the other state or country agrees to pay costs incurred by the attorney general in the action.

46.30 (c) The administrator may request the official authorized to enforce the unclaimed  
 46.31 property law of another state or foreign country to commence an action to recover property  
 46.32 in the other state or country on behalf of the administrator. This state shall pay the costs,

47.1 including reasonable attorney's fees and expenses, incurred by the other state or foreign  
 47.2 country in an action under this subsection.

47.3 (d) The administrator may pursue an action on behalf of this state to recover property  
 47.4 subject to this chapter but delivered to the custody of another state, if the administrator  
 47.5 believes the property is subject to the custody of the administrator.

47.6 (e) The administrator may retain an attorney in this state, another state, or a foreign  
 47.7 country to commence an action to recover property on behalf of the administrator and may  
 47.8 agree to pay attorney's fees based in whole or in part on a fixed fee, hourly fee, or a  
 47.9 percentage of the amount or value of property recovered in the action.

47.10 (f) Expenses incurred by this state in an action under this section may be paid from  
 47.11 property received under this chapter or the net proceeds of the property. Expenses paid to  
 47.12 recover property may not be deducted from the amount that is subject to a claim under this  
 47.13 chapter by the owner.

47.14 **Sec. 4. [345A.1204] INTEREST AND PENALTY FOR FAILURE TO ACT IN**  
 47.15 **TIMELY MANNER.**

47.16 (a) A holder that fails to report, pay, or deliver property within the time prescribed by  
 47.17 this chapter shall pay to the administrator interest at an annual rate of ... percent on the  
 47.18 property or value of the property from the date the property should have been reported,  
 47.19 paid, or delivered to the administrator until the date reported, paid, or delivered.

47.20 (b) Except as otherwise provided in section 345A.1205 or 345A.1206, the administrator  
 47.21 may require a holder that fails to report, pay, or deliver property within the time prescribed  
 47.22 by this chapter to pay to the administrator, in addition to interest included under subsection  
 47.23 (a), a civil penalty of \$200 for each day the duty is not performed, up to a cumulative  
 47.24 maximum amount of \$5,000.

47.25 **Sec. 5. [345A.1205] OTHER CIVIL PENALTIES.**

47.26 (a) If a holder enters into a contract or other arrangement for the purpose of evading an  
 47.27 obligation under this chapter or otherwise willfully fails to perform a duty imposed on the  
 47.28 holder under this chapter, the administrator may require the holder to pay the administrator,  
 47.29 in addition to interest as provided in section 345A.1204(a), a civil penalty of \$1,000 for  
 47.30 each day the obligation is evaded or the duty is not performed, up to a cumulative maximum  
 47.31 amount of \$25,000, plus 25 percent of the amount or value of property that should have  
 47.32 been but was not reported, paid, or delivered as a result of the evasion or failure to perform.

48.1 (b) If a holder makes a fraudulent report under this chapter, the administrator may require  
 48.2 the holder to pay to the administrator, in addition to interest under section 345A.1204(a), a  
 48.3 civil penalty of \$1,000 for each day from the date the report was made until corrected, up  
 48.4 to a cumulative maximum of \$25,000, plus 25 percent of the amount or value of any property  
 48.5 that should have been reported but was not included in the report or was underreported.

48.6 **Sec. 6. [345A.1206] WAIVER OF INTEREST AND PENALTY.**

48.7 The administrator:

48.8 (1) may waive, in whole or in part, interest under section 345A.1204(a) and penalties  
 48.9 under section 345A.1204(b) or 345A.1205; and

48.10 (2) shall waive a penalty under section 345A.1204(b) if the administrator determines  
 48.11 that the holder acted in good faith and without negligence.

48.12 **ARTICLE 13**

48.13 **AGREEMENT TO LOCATE PROPERTY OF APPARENT OWNER HELD BY**  
 48.14 **ADMINISTRATOR**

48.15 **Section 1. [345A.1301] WHEN AGREEMENT TO LOCATE PROPERTY**  
 48.16 **ENFORCEABLE.**

48.17 An agreement by an apparent owner and another person, the primary purpose of which  
 48.18 is to locate, deliver, recover, or assist in the location, delivery, or recovery of property held  
 48.19 by the administrator, is enforceable only if the agreement:

48.20 (1) is in a record that clearly states the nature of the property and the services to be  
 48.21 provided;

48.22 (2) is signed by or on behalf of the apparent owner; and

48.23 (3) states the amount or value of the property reasonably expected to be recovered,  
 48.24 computed before and after a fee or other compensation to be paid to the person has been  
 48.25 deducted.

48.26 **Sec. 2. [345A.1302] WHEN AGREEMENT TO LOCATE PROPERTY VOID.**

48.27 (a) Subject to subsection (b), an agreement under section 345A.1301 is void if it is  
 48.28 entered into during the period beginning on the date the property was paid or delivered by  
 48.29 a holder to the administrator and ending 24 months after the payment or delivery.



49.1 (b) If a provision in an agreement described in subsection (a) applies to mineral proceeds  
 49.2 for which compensation is to be paid to the other person based in whole or in part on a part  
 49.3 of the underlying minerals or mineral proceeds not then presumed abandoned, the provision  
 49.4 is void regardless of when the agreement was entered into.

49.5 (c) An agreement under subsection (a) which provides for compensation in an amount  
 49.6 that is unconscionable is unenforceable except by the apparent owner. An apparent owner  
 49.7 that believes the compensation the apparent owner has agreed to pay is unconscionable or  
 49.8 the administrator, acting on behalf of an apparent owner, or both, may file an action in the  
 49.9 district court to reduce the compensation to the maximum amount that is not unconscionable.  
 49.10 On the final determination of an action filed under this subsection, the court may, on  
 49.11 application, award the prevailing party its reasonable attorney's fees, costs, and expenses  
 49.12 of litigation.

49.13 (d) An apparent owner or the administrator may assert that an agreement described in  
 49.14 this section is void on a ground other than it provides for payment of unconscionable  
 49.15 compensation.

49.16 (e) This section does not apply to an apparent owner's agreement with an attorney to  
 49.17 pursue a claim for recovery of specifically identified property held by the administrator or  
 49.18 to contest the administrator's denial of a claim for recovery of the property.

49.19 **Sec. 3. [345A.1303] RIGHT OF AGENT OF APPARENT OWNER TO RECOVER**  
 49.20 **PROPERTY HELD BY ADMINISTRATOR.**

49.21 (a) An apparent owner that contracts with another person to locate, deliver, recover, or  
 49.22 assist in the location, delivery, or recovery of property of the apparent owner which is held  
 49.23 by the administrator may designate the person as the agent of the apparent owner. The  
 49.24 designation must be in a record signed by the apparent owner.

49.25 (b) The administrator shall give the agent of the apparent owner all information  
 49.26 concerning the property which the apparent owner is entitled to receive, including information  
 49.27 that otherwise is confidential information under section 345A.1402.

49.28 (c) If authorized by the apparent owner, the agent of the apparent owner may bring an  
 49.29 action against the administrator on behalf of and in the name of the apparent owner.

49.30 **ARTICLE 14**

49.31 **CONFIDENTIALITY AND SECURITY OF INFORMATION**

49.32 **Section 1. [345A.1401] DEFINITIONS; APPLICABILITY.**

50.1 (a) In this article, "personal information" means:

50.2 (1) information that identifies or reasonably can be used to identify an individual, such  
50.3 as first and last name in combination with the individual's:

50.4 (A) Social Security number or other government-issued number or identifier;

50.5 (B) date of birth;

50.6 (C) home or physical address;

50.7 (D) electronic-mail address or other online contact information or Internet provider  
50.8 address;

50.9 (E) financial account number or credit or debit card number;

50.10 (F) biometric data, health or medical data, or insurance information; or

50.11 (G) passwords or other credentials that permit access to an online or other account;

50.12 (2) personally identifiable financial or insurance information, including nonpublic  
50.13 personal information defined by applicable federal law; and

50.14 (3) any combination of data that, if accessed, disclosed, modified, or destroyed without  
50.15 authorization of the owner of the data or if lost or misused, would require notice or reporting  
50.16 under state and federal privacy and data security law, whether or not the administrator or  
50.17 the administrator's agent is subject to the law.

50.18 (b) A provision of this article that applies to the administrator or the administrator's  
50.19 records applies to an administrator's agent.

50.20 **Sec. 2. [345A.1402] CONFIDENTIAL INFORMATION.**

50.21 (a) Except as otherwise provided in this chapter, the following are confidential and  
50.22 exempt from public inspection or disclosure:

50.23 (1) records of the administrator and the administrator's agent related to the administration  
50.24 of this chapter;

50.25 (2) reports and records of a holder in the possession of the administrator or the  
50.26 administrator's agent; and

50.27 (3) personal information and other information derived or otherwise obtained by or  
50.28 communicated to the administrator or the administrator's agent from an examination under  
50.29 this chapter of the records of a person.

51.1 (b) A record or other information that is confidential under law of this state other than  
51.2 this chapter, another state, or the United States continues to be confidential when disclosed  
51.3 or delivered under this chapter to the administrator or administrator's agent.

51.4 **Sec. 3. [345A.1403] WHEN CONFIDENTIAL INFORMATION MAY BE**  
51.5 **DISCLOSED.**

51.6 (a) When reasonably necessary to enforce or implement this chapter, the administrator  
51.7 may disclose confidential information concerning property held by the administrator or the  
51.8 administrator's agent only to:

51.9 (1) an apparent owner or the apparent owner's personal representative, attorney, other  
51.10 legal representative, relative, or agent designated under section 345A.1303 to have the  
51.11 information;

51.12 (2) the personal representative in the state, other legal representative, relative of a  
51.13 deceased apparent owner, agent designated under section 345A.1303 by the deceased  
51.14 apparent owner, or a person entitled to inherit from the deceased apparent owner;

51.15 (3) another department or agency of this state or the United States;

51.16 (4) the person that administers the unclaimed property law of another state, if the other  
51.17 state accords substantially reciprocal privileges to the administrator of this state if the other  
51.18 state is required to maintain the confidentiality and security of information obtained in a  
51.19 manner substantially equivalent to article 14;

51.20 (5) a person subject to an examination as required by section 345A.1004(6).

51.21 (b) Except as otherwise provided in section 345A.1402(a), the administrator shall include  
51.22 on the website or in the database required by section 345A.503(c)(2) the name of each  
51.23 apparent owner of property held by the administrator. The administrator may include in  
51.24 published notices, printed publications, telecommunications, the Internet, or other media  
51.25 and on the website or in the database additional information concerning the apparent owner's  
51.26 property if the administrator believes the information will assist in identifying and returning  
51.27 property to the owner and does not disclose personal information except the home or physical  
51.28 address of an apparent owner.

51.29 (c) The administrator and the administrator's agent may not use confidential information  
51.30 provided to them or in their possession except as expressly authorized by this chapter or  
51.31 required by law other than this chapter.

52.1 Sec. 4. **[345A.1404] CONFIDENTIALITY AGREEMENT.**

52.2 A person to be examined under section 345A.1002 may require, as a condition of  
 52.3 disclosure of the records of the person to be examined, that each person having access to  
 52.4 the records disclosed in the examination execute and deliver to the person to be examined  
 52.5 a confidentiality agreement that:

52.6 (1) is in a form that is reasonably satisfactory to the administrator; and

52.7 (2) requires the person having access to the records to comply with the provisions of  
 52.8 this article applicable to the person.

52.9 Sec. 5. **[345A.1405] NO CONFIDENTIAL INFORMATION IN NOTICE.**

52.10 Except as otherwise provided in sections 345A.501 and 345A.502, a holder is not required  
 52.11 under this chapter to include confidential information in a notice the holder is required to  
 52.12 provide to an apparent owner under this chapter.

52.13 Sec. 6. **[345A.1406] SECURITY OF INFORMATION.**

52.14 (a) If a holder is required to include confidential information in a report to the  
 52.15 administrator, the information must be provided by a secure means.

52.16 (b) If confidential information in a record is provided to and maintained by the  
 52.17 administrator or administrator's agent as required by this chapter, the administrator or agent  
 52.18 shall:

52.19 (1) implement administrative, technical, and physical safeguards to protect the security,  
 52.20 confidentiality, and integrity of the information required by state and federal privacy and  
 52.21 data security law whether or not the administrator or the administrator's agent is subject to  
 52.22 the law;

52.23 (2) protect against reasonably anticipated threats or hazards to the security, confidentiality,  
 52.24 or integrity of the information; and

52.25 (3) protect against unauthorized access to or use of the information which could result  
 52.26 in substantial harm or inconvenience to a holder or the holder's customers, including insureds,  
 52.27 annuitants, and policy or contract owners and their beneficiaries.

52.28 (c) The administrator:

52.29 (1) after notice and comment, shall adopt and implement a security plan that identifies  
 52.30 and assesses reasonably foreseeable internal and external risks to confidential information  
 52.31 in the administrator's possession and seeks to mitigate the risks; and

53.1 (2) shall ensure that an administrator's agent adopts and implements a similar plan with  
 53.2 respect to confidential information in the agent's possession.

53.3 (d) The administrator and the administrator's agent shall educate and train their employees  
 53.4 regarding the plan adopted under subsection (c).

53.5 (e) The administrator and the administrator's agent shall in a secure manner return or  
 53.6 destroy all confidential information no longer reasonably needed under this chapter.

53.7 **Sec. 7. [345A.1407] SECURITY BREACH.**

53.8 (a) Except to the extent prohibited by law other than this chapter, the administrator or  
 53.9 administrator's agent shall notify a holder as soon as practicable of:

53.10 (1) a suspected loss, misuse or unauthorized access, disclosure, modification, or  
 53.11 destruction of confidential information obtained from the holder in the possession of the  
 53.12 administrator or an administrator's agent; and

53.13 (2) any interference with operations in any system hosting or housing confidential  
 53.14 information which:

53.15 (A) compromises the security, confidentiality, or integrity of the information; or

53.16 (B) creates a substantial risk of identity fraud or theft.

53.17 (b) Except as necessary to inform an insurer, attorney, investigator, or others as required  
 53.18 by law, the administrator and an administrator's agent may not disclose, without the express  
 53.19 consent in a record of the holder, an event described in subsection (a) to a person whose  
 53.20 confidential information was supplied by the holder.

53.21 (c) If an event described in subsection (a) occurs, the administrator and the administrator's  
 53.22 agent shall:

53.23 (1) take action necessary for the holder to understand and minimize the effect of the  
 53.24 event and determine its scope; and

53.25 (2) cooperate with the holder with respect to:

53.26 (A) any notification required by law concerning a data or other security breach; and

53.27 (B) a regulatory inquiry, litigation, or similar action.

53.28 **Sec. 8. [345A.1408] INDEMNIFICATION FOR BREACH.**

53.29 (a) If a claim is made or action commenced arising out of an event described in section  
 53.30 345A.1407(a) relating to confidential information possessed by the administrator, this state

54.1 shall indemnify, defend, and hold harmless a holder and the holder's affiliates, officers,  
 54.2 directors, employees, and agents as to:

54.3 (1) any claim or action; and

54.4 (2) a liability, obligation, loss, damage, cost, fee, penalty, fine, settlement, charge, or  
 54.5 other expense, including reasonable attorney's fees and costs, established by the claim or  
 54.6 action.

54.7 (b) If a claim is made or action commenced arising out of an event described in section  
 54.8 345A.1407(a) relating to confidential information possessed by an administrator's agent,  
 54.9 the administrator's agent shall indemnify, defend, and hold harmless a holder and the holder's  
 54.10 affiliates, officers, directors, employees, and agents as to:

54.11 (1) any claim or action; and

54.12 (2) a liability, obligation, loss, damage, cost, fee, penalty, fine, settlement, charge, or  
 54.13 other expense, including reasonable attorney's fees and costs, established by the claim or  
 54.14 action.

54.15 (c) The administrator shall require an administrator's agent that will receive confidential  
 54.16 information required under this chapter to maintain adequate insurance for indemnification  
 54.17 obligations of the administrator's agent under subsection (b). The agent required to maintain  
 54.18 the insurance shall provide evidence of the insurance to:

54.19 (1) the administrator not less frequently than annually; and

54.20 (2) the holder on commencement of an examination and annually thereafter until all  
 54.21 confidential information is returned or destroyed under section 345A.1406(e).

## 54.22 **ARTICLE 15**

### 54.23 **MISCELLANEOUS PROVISIONS**

54.24 **Section 1. [345A.1501] UNIFORMITY OF APPLICATION AND CONSTRUCTION.**

54.25 In applying and construing this uniform act, consideration must be given to the need to  
 54.26 promote uniformity of the law with respect to its subject matter among states that enact it.

54.27 **Sec. 2. [345A.1502] RELATION TO ELECTRONIC SIGNATURES IN GLOBAL**  
 54.28 **AND NATIONAL COMMERCE ACT.**

54.29 This chapter modifies, limits, or supersedes the Electronic Signatures in Global and  
 54.30 National Commerce Act, United States Code, title 15, section 7001 et seq., but does not  
 54.31 modify, limit, or supersede section 101(c) of that act, United States Code, title 15, section

55.1 7001(c), or authorize electronic delivery of any of the notices described in section 103(b)  
55.2 of that act, United States Code, title 15, section 7003(b).

55.3 **Sec. 3. [345A.1503] TRANSITIONAL PROVISION.**

55.4 (a) An initial report filed under this chapter for property that was not required to be  
55.5 reported before the effective date of this chapter, but that is required to be reported under  
55.6 this chapter, must include all items of property that would have been presumed abandoned  
55.7 during the 10-year period preceding the effective date of this chapter as if this [chapter had  
55.8 been in effect during that period.

55.9 b) This chapter does not relieve a holder of a duty that arose before the effective date  
55.10 of this chapter to report, pay, or deliver property. Subject to section 345A.610(b) and (c),  
55.11 a holder that did not comply with the law governing unclaimed property before the effective  
55.12 date of this chapter is subject to applicable provisions for enforcement and penalties in effect  
55.13 before the effective date of this chapter.

55.14 **Sec. 4. REPEAL.**

55.15 **Sec. 5. EFFECTIVE DATE.**

55.16 This chapter takes effect .....

APPENDIX  
Article locations in 17-1481

ARTICLE 1	GENERAL PROVISIONS .....	Page.Ln 1.8
ARTICLE 2	PRESUMPTION OF ABANDONMENT .....	Page.Ln 7.23
	RULES FOR TAKING CUSTODY OF PROPERTY PRESUMED	
ARTICLE 3	ABANDONED .....	Page.Ln 17.4
ARTICLE 4	REPORT BY HOLDER .....	Page.Ln 19.21
	NOTICE TO APPARENT OWNER OF PROPERTY PRESUMED	
ARTICLE 5	ABANDONED .....	Page.Ln 22.10
ARTICLE 6	TAKING CUSTODY OF PROPERTY BY ADMINISTRATOR .....	Page.Ln 24.26
ARTICLE 7	SALE OF PROPERTY BY ADMINISTRATOR .....	Page.Ln 30.9
ARTICLE 8	ADMINISTRATION OF PROPERTY .....	Page.Ln 32.13
ARTICLE 9	CLAIM TO RECOVER PROPERTY FROM ADMINISTRATOR .....	Page.Ln 33.19
	VERIFIED REPORT OF PROPERTY; EXAMINATION OF	
ARTICLE 10	RECORDS .....	Page.Ln 37.3
	DETERMINATION OF LIABILITY; PUTATIVE HOLDER	
ARTICLE 11	REMEDIES .....	Page.Ln 43.8
ARTICLE 12	ENFORCEMENT BY ADMINISTRATOR .....	Page.Ln 45.29
	AGREEMENT TO LOCATE PROPERTY OF APPARENT OWNER	
ARTICLE 13	HELD BY ADMINISTRATOR .....	Page.Ln 48.12
ARTICLE 14	CONFIDENTIALITY AND SECURITY OF INFORMATION .....	Page.Ln 49.30
ARTICLE 15	MISCELLANEOUS PROVISIONS .....	Page.Ln 54.22