
SENATE BILL No. 227

DIGEST OF INTRODUCED BILL

Citations Affected: IC 32-9-1.5.

Synopsis: Uniform unclaimed property act. Makes changes to conform to the uniform unclaimed property act. Changes the time period requirement for written notice from the holder of property presumed abandoned to the apparent owner and attorney general. Requires that tangible property held in a safe deposit box be held for at least 120 days after the property is reported to the attorney general. Removes the requirement that the attorney general publish a notice relating to a traveler's check, money order, or similar instrument presumed abandoned. Requires the attorney general to give notice approving or denying a claim within 90 days after the claim is filed. Provides for a judicial appeal of an adverse unclaimed property decision.

Effective: July 1, 2000.

Simpson

January 10, 2000, read first time and referred to Committee on Commerce and Consumer Affairs.

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Second Regular Session 111th General Assembly (2000)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1999 General Assembly.

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SENATE BILL No. 227



A BILL FOR AN ACT to amend the Indiana Code concerning property.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 32-9-1.5-20 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 20. (a) For purposes of
- 3 this section, an indication of interest in the property by the owner:
- 4 (1) does not include a communication with an owner by an agent
- 5 of the holder who has not identified in writing the property to the
- 6 owner; and
- 7 (2) includes the following:
- 8 (A) The cashing of a dividend check or other instrument of
- 9 payment received **or evidence that the distribution has been**
- 10 **received if the distribution was made by electronic or**
- 11 **similar means**, with respect to an account or underlying
- 12 shares of stock **or other interest in a business association or**
- 13 **financial organization.**
- 14 (B) A deposit to or withdrawal from a bank account.
- 15 (C) The payment of a premium with respect to a property
- 16 interest in an insurance policy.
- 17 (D) The mailing of any correspondence in writing from a



1 financial institution to the owner, including:

- 2 (i) a statement;
 3 (ii) a report of interest paid or credited; or
 4 (iii) any other written advice;

5 relating to a demand, savings, or matured time deposit
 6 account, including a deposit account that is automatically
 7 renewable, or any other account or other property the owner
 8 has with the financial institution if the correspondence is not
 9 returned to the financial institution for nondelivery.

10 (E) Any activity by the owner that concerns:

11 (i) another demand, savings, or matured time deposit
 12 account or other account that the owner has with a financial
 13 institution, including any activity by the owner that results
 14 in an increase or decrease in the amount of any other
 15 account; or

16 (ii) any other relationship with the financial institution,
 17 including the payment of any amounts due on a loan;
 18 if the mailing address for the owner contained in the financial
 19 institution's books and records is the same for both an inactive
 20 account and for a related account.

21 (b) The application of an automatic premium loan provision or other
 22 nonforfeiture provision contained in an insurance policy does not
 23 prevent the policy from maturing or terminating if the insured has died
 24 or the insured or the beneficiary of the policy otherwise has become
 25 entitled to the proceeds before the depletion of the cash surrender value
 26 of the policy by the application of those provisions.

27 (c) Property that is held, issued, or owed in the ordinary course of
 28 a holder's business is presumed abandoned if the owner or apparent
 29 owner has not communicated in writing with the holder concerning the
 30 property or has not otherwise given an indication of interest in the
 31 property during the following times:

- 32 (1) For traveler's checks, fifteen (15) years after issuance.
 33 (2) For money orders, seven (7) years after issuance.
 34 (3) For consumer credits, three (3) years after the credit becomes
 35 payable.
 36 (4) For gift certificates, ~~that are redeemable only in merchandise~~
 37 ~~that is valued for purposes of abandonment at sixty percent (60%)~~
 38 ~~of face value~~; three (3) years after December 31 of the year in
 39 which the gift certificate was sold. **If the gift certificate is**
 40 **redeemable in merchandise only, the amount abandoned is**
 41 **considered to be sixty percent (60%) of the certificate's face**
 42 **value.**

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- 1 (5) For amounts owed by an insurer on a life or an endowment
 2 insurance policy or an annuity contract:
- 3 (A) if the policy or contract has matured or terminated, ~~five (5)~~
 4 **three (3)** years after the obligation to pay arose; or
- 5 (B) if the policy or contract is payable upon proof of death,
 6 ~~five (5)~~ **three (3)** years after the insured has attained, or would
 7 have attained if living, the limiting age under the mortality
 8 table on which the reserve is based.
- 9 (6) For property distributable by a business association in a course
 10 of dissolution, one (1) year after the property becomes
 11 distributable.
- 12 (7) For property or proceeds held by a court, ~~ten (10) years~~ **one**
 13 **(1) year** after the property or proceeds become distributable. The
 14 property or proceeds must be treated as unclaimed property under
 15 IC 32-9-8.
- 16 (8) For property held by a state or other government,
 17 governmental subdivision or agency, or public corporation or
 18 other public authority, one (1) year after the property becomes
 19 distributable.
- 20 (9) For compensation for personal services, one (1) year after the
 21 compensation becomes payable.
- 22 (10) For deposits and refunds held for subscribers by utilities, one
 23 (1) year after the deposits or refunds became payable.
- 24 (11) ~~Except as provided in subdivision (12);~~ For stock or other
 25 interest in a business association, ~~seven (7)~~ **five (5)** years after ~~the~~
 26 **earlier of:**
- 27 (A) the date of the last dividend, **stock split**, or other
 28 distribution paid with respect to the stock or other interest:
 29 **unclaimed by the apparent owner; or**
- 30 (B) **the date of the second mailing of a statement of account**
 31 **or other notification or communication that was:**
- 32 (i) **returned as undeliverable; or**
- 33 (ii) **made after the holder discontinued mailings to the**
 34 **apparent owner.**
- 35 (12) For stock or other interest in a business association for
 36 which:
- 37 (A) a dividend has not been paid on the stock or other interest
 38 for seven (7) consecutive years; or
- 39 (B) the stock or other interest is held under a plan that
 40 provides for the automatic reinvestment of dividends or other
 41 distributions;
- 42 ~~the earliest of seven (7) years after the date of the second mailing~~

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1 of official shareholder notifications or communications that were
 2 returned as undeliverable; or the date the holder discontinued the
 3 mailings to the shareholder:

4 ~~(13)~~ **(12)** For property in an individual retirement account or
 5 another account or plan that is qualified for tax deferral under the
 6 Internal Revenue Code, ~~one (1) year~~ **three (3) years** after the
 7 earliest of:

8 (A) the actual date of the distribution or attempted
 9 distribution;

10 (B) the distribution date as stated in the plan or trust
 11 agreement governing the plan; or

12 (C) the date specified in the Internal Revenue Code by which
 13 distribution must begin in order to avoid a tax penalty.

14 However, if during the four ~~(4)~~ years before the commencement
 15 of the one ~~(1)~~ year abandonment period the apparent owner has
 16 communicated in writing with the holder concerning the property
 17 or otherwise indicated an interest in the property, then the date of
 18 the presumed abandonment is one ~~(1)~~ additional year after the
 19 property would otherwise have been presumed abandoned.

20 ~~(14)~~ **(13)** For a demand, savings, or matured time deposit,
 21 including a deposit that is automatically renewable, ~~seven (7) five~~
 22 **(5) years** after maturity or ~~seven (7) five (5)~~ years after the date of
 23 the last indication by the owner of interest in the property,
 24 whichever is ~~later~~ **earlier**. Property that is automatically
 25 renewable is considered matured for purposes of this section upon
 26 the expiration of its initial period, unless the owner has consented
 27 to a renewal at or about the time of the renewal, and the consent
 28 is in writing or is evidenced by a memorandum or other record on
 29 file with the holder.

30 ~~(15)~~ **(14)** For all other property, ~~seven (7) the earlier of five (5)~~
 31 years after:

32 **(A) the owner's right to demand the property; or**

33 **(B) the obligation to pay or distribute the property;**
 34 arose.

35 (d) Property is payable or distributed for purposes of this chapter
 36 notwithstanding the owner's failure to make demand or present an
 37 instrument or a document otherwise required to receive payment.

38 SECTION 2. IC 32-9-1.5-24 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 24. All tangible and
 40 intangible property held in a safe deposit box or any other safekeeping
 41 depository in Indiana in the ordinary course of the holder's business and
 42 the proceeds resulting from the sale of the property permitted by other



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1 law, which remains unclaimed by the owner for more than ~~seven (7)~~
 2 **five (5)** years after expiration of the lease or rental period on the box or
 3 other depository, is presumed abandoned.

4 SECTION 3. IC 32-9-1.5-26 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 26. (a) A holder of
 6 property presumed abandoned and subject to custody as unclaimed
 7 property under this chapter shall report in writing to the attorney
 8 general concerning the property. Items of value of less than fifty dollars
 9 (\$50) may be reported by the holder in the aggregate.

10 (b) For each item with a value of fifty dollars (\$50) or more, the
 11 report required under subsection (a) must be verified and include the
 12 following:

13 (1) Except with respect to traveler's checks and money orders, the
 14 apparent owner's:

15 (A) name, if known;

16 (B) last known address, if any; and

17 (C) Social Security number or taxpayer identification number,
 18 if readily ascertainable.

19 (2) In the case of the contents of a safe deposit box or other
 20 safekeeping depository of tangible property:

21 (A) a description of the property;

22 (B) the place where the property is held and may be inspected
 23 by the attorney general; and

24 (C) any amounts owing to the holder.

25 (3) The date:

26 (A) the property became payable, demandable, or returnable;
 27 and

28 (B) of the last transaction with the apparent owner with respect
 29 to the property.

30 (4) Other information that the attorney general requires by rules
 31 adopted under IC 4-22-2 as necessary for the administration of
 32 this chapter.

33 (c) If a holder of property presumed abandoned and subject to
 34 custody as unclaimed property is a successor to another person who
 35 previously held the property for the apparent owner or if the holder has
 36 changed its name while holding the property, the holder shall file with
 37 the report the former names of the holder, if any, and the known names
 38 and addresses of all previous holders of the property.

39 (d) The report required by subsection (a) must be filed as follows:

40 (1) The report of a life insurance company must be filed before
 41 May 1 of each year for the calendar year preceding the year in
 42 which the report is filed.

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1 (2) All other holders must file the report before November 1 of
 2 each year to cover the year preceding July 1 of the year in which
 3 the report is filed.

4 (e) The holder of property presumed abandoned and subject to
 5 custody as unclaimed property under this chapter shall send written
 6 notice to the apparent owner, not more than one hundred twenty (120)
 7 days or less than ~~thirty (30)~~ **sixty (60)** days before filing the report
 8 required by this section, stating that the holder is in possession of
 9 property subject to this chapter if:

10 (1) the holder has a record of an address for the apparent owner
 11 that the holder's records do not show as inaccurate; ~~and~~

12 (2) the claim of the apparent owner is not barred by the statute of
 13 limitations; ~~and~~

14 **(3) the value of the property is at least fifty dollars (\$50).**

15 (f) Before the date of filing the report the holder may request the
 16 attorney general to extend the time for filing the report. The attorney
 17 general may grant the extension upon a showing of good cause. The
 18 holder, upon receipt of the extension, may make an interim payment on
 19 the amount the holder estimates will ultimately be due, which will
 20 suspend the accrual of interest on the amount paid.

21 (g) The holder shall file with the report an affidavit stating that the
 22 holder has complied with this section.

23 SECTION 4. IC 32-9-1.5-27 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 27. (a) Except as
 25 provided in ~~subsection~~ **subsections (b) and (c)**, on the date a report is
 26 filed under section 26 of this chapter, the holder shall pay or deliver to
 27 the attorney general the property described in the report as unclaimed.

28 (b) In the case of an automatically renewable deposit, if at the time
 29 of delivery under subsection (a), a penalty or forfeiture in the payment
 30 of interest would result from the delivery of the property, the time for
 31 delivery is extended until the earliest date upon which a penalty or
 32 forfeiture would not result.

33 **(c) Tangible property held in a safe deposit box or other**
 34 **safekeeping depository may not be delivered to the attorney**
 35 **general until one hundred twenty (120) days after the date the**
 36 **report describing the property under section 26 of this chapter is**
 37 **filed.**

38 **(d) If the property reported to the attorney general is a security**
 39 **or security entitlement under IC 26-1-8.1, the attorney general is**
 40 **an appropriate person to make an endorsement, instruction, or**
 41 **entitlement order on behalf of the apparent owner to invoke the**
 42 **duty of the issuer or its transfer agent or the securities**



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1 intermediary to transfer or dispose of the security or the security
2 entitlement in accordance with IC 26-1-8.1.

3 (e) If the holder of property reported to the attorney general is
4 the issuer of a certificated security, the attorney general has the
5 right to obtain a replacement certificate under IC 26-1-8.1-405, but
6 an indemnity bond is not required.

7 (f) An issuer, the holder, and any transfer agent or other person
8 acting under the instructions of and on behalf of the issuer in
9 accordance with this section is not liable to the apparent owner and
10 must be indemnified against the claims of any person in accordance
11 with section 29 of this chapter.

12 SECTION 5. IC 32-9-1.5-28 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 28. (a) Except as
14 provided in subsection (e), the attorney general shall cause a notice to
15 be published not later than November 30 of the year immediately
16 following the year in which unclaimed property has been paid or
17 delivered to the attorney general.

18 (b) Except as provided in subsection (c), the notice required by
19 subsection (a) must be published at least once each week for two (2)
20 successive weeks in a newspaper of general circulation published in the
21 county in Indiana of the last known address of any person named in the
22 notice.

23 (c) If the holder does not report an address for the apparent owner,
24 or reports an address outside Indiana, the notice must be published in
25 the county in which the holder has its principal place of business within
26 Indiana or such other county as the attorney general may reasonably
27 select.

28 (d) The advertised notice required by this section must be in a form
29 that, in the judgment of the attorney general, will attract the attention
30 of the apparent owner of the unclaimed property and must contain the
31 following information:

32 (1) The name of each person appearing to be an owner of property
33 presumed abandoned, as set forth in the report filed by the holder.

34 (2) The last known address or location of each person appearing
35 to be an owner of property presumed abandoned, if an address or
36 a location is set forth in the report filed by the holder.

37 (3) A statement explaining that property of the owner is presumed
38 to be abandoned and has been taken into the protective custody of
39 the attorney general.

40 (4) A statement that information about the abandoned property
41 and its return to the owner is available to a person having a legal
42 or beneficial interest in the property, upon request to the attorney



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1 general.

2 (e) The attorney general is not required to publish **the following** in
3 the notice:

4 (1) Any item of less than fifty dollars (\$50) in value.

5 (2) **Information concerning a traveler's check, money order,**
6 **or similar instrument.**

7 SECTION 6. IC 32-9-1.5-30 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 30. If property other
9 than money is paid or delivered to the attorney general under this
10 chapter, the owner is entitled to receive from the attorney general any
11 dividends, interest, or other increments realized or accruing on the
12 property at or before ~~delivery to the attorney general. The owner is not~~
13 ~~entitled to receive dividends, interest, or other increments accruing~~
14 ~~after delivery of the property to the attorney general unless the property~~
15 ~~was paid or delivered under section 40(b) of this chapter. **liquidation**~~
16 **or conversion of the property into money. If the property was an**
17 **interest bearing demand, savings, or time deposit, including a**
18 **deposit that is automatically renewable, the attorney general shall**
19 **pay interest at:**

20 (1) **the one (1) year Treasury Bill rate published in the Wall**
21 **Street Journal or its successor on the third Tuesday of:**

22 (A) **the month interest begins to accrue for the first year of**
23 **accrual; and**

24 (B) **the anniversary of the month interest begins to accrue**
25 **for every year of accrual thereafter; or**

26 (2) **any lesser rate the property earned while in the possession**
27 **of the holder;**

28 **for every year of accrual. Interest begins to accrue when the**
29 **property is delivered to the attorney general and ceases on the**
30 **earlier of the expiration of ten (10) years after delivery or the date**
31 **on which payment is made to the owner. Interest on interest**
32 **bearing property is not payable under this section for any period**
33 **before July 1, 2000.**

34 SECTION 7. IC 32-9-1.5-36 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 36. (a) A person, not
36 including another state, claiming an interest in property paid or
37 delivered to the attorney general may file a claim on a form prescribed
38 by the attorney general and verified by the claimant.

39 (b) **Not later than ninety (90) days after a claim is filed, the**
40 **attorney general shall:**

41 (1) consider the claim; and

42 (2) give written notice to the claimant that the claim is granted or

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1 the claim is denied in whole or in part.

2 (c) Not later than thirty (30) days after a claim is allowed, the
3 attorney general shall pay over or deliver to the claimant the property
4 or the net proceeds of the sale of property if the property has been sold
5 by the attorney general, together with any additional amount to which
6 the claimant may be entitled under section 30 of this chapter.

7 (d) A holder who pays the owner for property that has been
8 delivered to the state and that, if claimed from the attorney general by
9 the owner, would be subject to an increment under section 30 of this
10 chapter shall recover the amount of such increment from the attorney
11 general.

12 (e) A person may file a claim under subsection (a) at any time
13 within twenty-five (25) years after the date on which the property was
14 first presumed abandoned under this chapter, notwithstanding the
15 expiration of any other time specified by statute, contract, or court
16 order during which an action or a proceeding may be commenced or
17 enforced to obtain payment of a claim for money or recovery of
18 property.

19 SECTION 8. IC 32-9-1.5-37 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 37. (a) At any time
21 within twenty-five (25) years after the date on which the property was
22 presumed abandoned under this chapter, notwithstanding the expiration
23 of any other time specified by statute, contract, or court order during
24 which an action or proceeding may be commenced or enforced to
25 obtain payment of a claim for money or recovery of property, another
26 state may recover the property if:

27 (1) the property was delivered to the custody of this state because
28 the records of the holder did not reflect the last known address of
29 the apparent owner when the property was presumed abandoned
30 under this chapter, and:

31 (A) the other state establishes that the last known address of
32 the apparent owner or other person entitled to the property was
33 in that state; and

34 (B) under the laws of that state the property escheated to or
35 was subject to a claim of abandonment by that state;

36 (2) ~~the last known address of the apparent owner or other person~~
37 ~~entitled to the property, as reflected by the records of the holder,~~
38 ~~is in the other state the property was paid or delivered to the~~
39 ~~custody of this state because the laws of the other state did not~~
40 ~~provide for the escheat or custodial taking of the property,~~
41 and under the laws of that state **subsequently enacted** the
42 property has escheated to or become subject to a claim of

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1 abandonment by that state;

2 (3) the records of the holder did not accurately identify the owner
3 of the property and:

4 (A) the last known address of the owner is in the other state;
5 and

6 (B) under the laws of the other state the property escheated to
7 or was subject to a claim of abandonment by that state;

8 (4) the property was subject to custody by this state under section
9 21(7) of this chapter and under the laws of the state of domicile
10 of the holder the property has escheated to or become subject to
11 a claim of abandonment by that state; or

12 (5) the property is a sum payable on a traveler's check, money
13 order, or similar instrument that was delivered into the custody of
14 this state under section 21(7) of this chapter, and:

15 (A) the instrument was purchased in the other state; and

16 (B) under the laws of the other state the property escheated to
17 or is subject to a claim of abandonment by that state.

18 (b) A claim of another state to recover escheated or abandoned
19 property must be presented in a form prescribed by the attorney
20 general, who shall consider the claim and give written notice **not more**
21 **than ninety (90) days after the presentation of the claim** to the other
22 state that the claim is granted or denied in whole or in part. The
23 attorney general shall allow the claim upon a determination that the
24 other state is entitled to the abandoned property under subsection (a).

25 (c) The attorney general shall require another state, before
26 recovering property under this section, to agree to indemnify this state
27 and its officers and employees against any liability on a claim for the
28 property.

29 SECTION 9. IC 32-9-1.5-38.1 IS ADDED TO THE INDIANA
30 CODE AS A NEW SECTION TO READ AS FOLLOWS
31 [EFFECTIVE JULY 1, 2000]: **Sec. 38.1. A person:**

32 **(1) aggrieved by a decision of the attorney general; or**

33 **(2) whose claim has not been acted upon within ninety (90)**
34 **days after its filing;**

35 **under this chapter, may maintain an original action to establish the**
36 **claim in a court with jurisdiction, naming the attorney general as**
37 **a defendant.**

38 SECTION 10. IC 32-9-1.5-43 IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 43. (a) The attorney
40 general may require a person who has not filed a report, or a person
41 who the attorney general believes has filed an inaccurate, an
42 incomplete, or a false report, to file a verified report in a form

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1 prescribed by the attorney general stating the following:

2 (1) Whether the person is holding any unclaimed property
3 reportable or deliverable under this chapter.

4 (2) Describing any property not previously reported or as to which
5 the attorney general has made inquiry.

6 (3) Specifically identifying and stating the amounts of property
7 that may be in issue.

8 (b) The attorney general, at reasonable times and upon reasonable
9 notice, may examine the records of a person to determine whether the
10 person has complied with this chapter. The attorney general may
11 conduct the examination even if the person believes the person is not
12 in possession of any property reportable or deliverable under this
13 chapter. When making an examination under this chapter the attorney
14 general may retain attorneys, appraisers, independent actuaries,
15 independent certified public accountants, or other professionals and
16 specialists as examiners.

17 (c) The attorney general may examine the records of an agent,
18 including a dividend disbursing agent or transfer agent, of a business
19 association that is the holder of property presumed abandoned if the
20 attorney general has given the notice required by subsection (b) to both
21 the business association and the agent at least ninety (90) days before
22 the examination.

23 (d) If an examination of the records of a person results in the
24 disclosure of property reportable and deliverable under this chapter, the
25 attorney general may assess the cost of the examination against the
26 holder at the rate of two hundred dollars (\$200) a day for each
27 examiner. The cost of the examination made under subsection (c) may
28 be imposed only against the business association.

29 ~~(e) This section does not limit the attorney general's authority to~~
30 ~~terminate or suspend an examination in order to pursue other legal or~~
31 ~~administrative action under this chapter. Findings of fact and~~
32 ~~conclusions made pursuant to an examination are prima facie evidence~~
33 ~~in a legal or an administrative action.~~

34 ~~(f)~~ (e) If a holder fails after July 1, 1996, to maintain the records
35 required under section 44 of this chapter and the available records of
36 the holder are insufficient to permit the preparation of a report, the
37 attorney general may require the holder to report and pay such amounts
38 as may reasonably be estimated from any available records of the
39 holder or on the basis of any other reasonable estimating technique that
40 the attorney general may select.

41 SECTION 11. IC 32-9-1.5-44 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 44. (a) Except as

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1 provided in subsection (b) and subject to rules adopted by the attorney
 2 general under IC 4-22-2, a holder required to file a report under section
 3 26 of this chapter as to any property for which the holder has the last
 4 known address of the owner shall maintain a record of the ~~name and~~
 5 ~~last known address of the owner~~ **information required to be in the**
 6 **report** for at least ten (10) years after the property becomes reportable.

7 (b) A business association that sells in Indiana traveler's checks,
 8 money orders, or other similar written instruments, other than
 9 third-party bank checks on which the business association is directly
 10 liable, or that provides those instruments to others for sale in Indiana,
 11 shall maintain a record of outstanding instruments indicating the state
 12 and date of issue for at least three (3) years after the date the property
 13 is reportable.

14 SECTION 12. IC 32-9-1.5-46 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 46. (a) The attorney
 16 general may enter into agreements with other states to exchange
 17 information relating to unclaimed property or the possible existence of
 18 unclaimed property. The agreements may permit other states, or a
 19 person acting on behalf of a state, to examine records as authorized in
 20 section 43 of this chapter. The attorney general may by rule require the
 21 reporting of information needed to enable compliance with agreements
 22 made under this section and prescribe the form.

23 (b) The attorney general may join with other states to seek
 24 enforcement of this chapter against a person who is or may be holding
 25 property reportable under this chapter.

26 (c) At the request of another state, the attorney general may
 27 commence an action on behalf of the administrator of the other state to
 28 enforce in Indiana the unclaimed property laws of the other state
 29 against a holder of property subject to escheat or a claim of
 30 abandonment by the other state, if the other state has agreed to pay
 31 expenses incurred by the attorney general in maintaining the action.

32 (d) The attorney general may request that the attorney general of
 33 another state or any other attorney commence an action on behalf of the
 34 attorney general in another state. The attorney general may retain
 35 another attorney to commence an action in Indiana on behalf of the
 36 attorney general. This state shall pay all expenses including attorney's
 37 fees in maintaining an action under this subsection. With the attorney
 38 general's approval, the expenses and attorney's fees may be paid from
 39 money received under this chapter. The attorney general may agree to
 40 pay the person bringing the action attorney's fees based in whole or in
 41 part on a percentage of the value of any property recovered in the
 42 action. Expenses or attorney's fees paid under this subsection may not

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1 be deducted from the amount that is subject to the claim by the owner
2 under this chapter.

3 (e) Documents and working papers obtained or compiled by the
4 attorney general or the attorney general's agents, employees, or
5 designated representatives in the course of conducting an audit under
6 section 43 of this chapter are confidential and are not public records
7 except:

8 (1) when used by the attorney general to maintain an action to
9 collect unclaimed property or otherwise enforce this chapter;

10 (2) when used in joint audits conducted with or under agreements
11 with other states, the federal government, or other governmental
12 entities; or

13 (3) pursuant to subpoena or court order.

14 **The documents and working papers may be disclosed to the**
15 **abandoned property office of another state for that state's use in**
16 **circumstances equivalent to those described in this subsection if the**
17 **other state is bound to keep the documents and papers confidential.**

18 (f) The attorney general's final completed audit reports are public
19 records, available for inspection and copying under IC 5-14-3. A final
20 report may not contain confidential documentation or working papers
21 unless an exception under subsection (e) applies.

22 SECTION 13. IC 32-9-1.5-48 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 48. (a) An agreement
24 by an owner, **the primary purpose of which is** to pay compensation
25 to locate, deliver, recover, or assist in the recovery of property **reported**
26 **presumed abandoned** under this chapter that is entered into **not**
27 **earlier than the date the property was presumed abandoned and**
28 **not later than twenty-four (24) months after the date the property is**
29 **paid or delivered to the attorney general is void and unenforceable.**
30 **This subsection does not apply to an owner's agreement with an**
31 **attorney to file a claim as to identified property or to contest the**
32 **attorney general's denial of a claim.**

33 (b) An agreement described in subsection (a) that is entered into
34 more than twenty-four (24) months after the date the property is paid
35 or delivered to the attorney general **by an owner, the primary**
36 **purpose of which is to locate, deliver, recover, or assist in the**
37 **recovery of property, is valid only if:**

38 (1) the fee or compensation agreed upon is not more than ten
39 percent (10%) of the amount collected unless the amount
40 collected is fifty dollars (\$50) or less;

41 (2) (1) the agreement is in writing;

42 (3) (2) the agreement is signed by the apparent owner;



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1 ~~(4)~~ **(3)** the agreement clearly sets forth:

2 (A) the nature and value of the property; and

3 (B) the value of the apparent owner's share after the fee or
4 compensation has been deducted; and

5 ~~(5)~~ **(4)** the agreement contains the provision set forth in
6 subsection (d).

7 (c) This section does not prevent an owner from asserting at any
8 time that an agreement to locate property is otherwise invalid.

9 (d) This subsection applies to a person who locates, delivers,
10 recovers, or assists in the recovery of property reported under this
11 chapter for a fee or compensation. An advertisement, a written
12 communication, or an agreement concerning the location, delivery,
13 recovery, or assistance in the recovery of property reported under this
14 chapter shall contain a provision stating that by law any contract
15 provision requiring the payment of a fee for finding property held by
16 the attorney general for less than twenty-four (24) months is void, ~~and~~
17 ~~that fees are limited to not more than ten percent (10%) of the amount~~
18 ~~collected unless the amount collected is fifty dollars (\$50) or less.~~

19 (e) Subsections ~~(b)(1)~~; ~~(b)(5)~~; **(b)(4)** and (d) do not apply to
20 attorney's fees.

21 **(f) If an agreement covered by this section applies to mineral**
22 **proceeds and the agreement contains a provision to pay**
23 **compensation that includes a portion of the underlying minerals or**
24 **any mineral proceeds not then presumed abandoned, the provision**
25 **is void and unenforceable.**

26 **(g) An agreement covered by this section that provides for**
27 **compensation that is unconscionable is unenforceable except by the**
28 **owner. An owner who has agreed to pay compensation that is**
29 **unconscionable, or the attorney general on behalf of the owner,**
30 **may maintain an action to reduce the compensation to a**
31 **conscionable amount. The court may award reasonable attorney's**
32 **fees to an owner who prevails in the action.**

33 SECTION 14. IC 32-9-1.5-53 IS ADDED TO THE INDIANA
34 CODE AS A NEW SECTION TO READ AS FOLLOWS
35 [EFFECTIVE JULY 1, 2000]: **Sec. 53. This chapter does not apply**
36 **to property held, due, and owing in a foreign country and arising**
37 **out of a foreign transaction.**

38 SECTION 15. IC 32-9-1.5-54 IS ADDED TO THE INDIANA
39 CODE AS A NEW SECTION TO READ AS FOLLOWS
40 [EFFECTIVE JULY 1, 2000]: **Sec. 54. This chapter shall be applied**
41 **and construed to effectuate its general purpose to make uniform**
42 **the law with respect to the subject of this chapter among states**



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1 **enacting it.**
2 SECTION 16. THE FOLLOWING ARE REPEALED [EFFECTIVE
3 JULY 1, 2000]: IC 32-9-1.5-38; IC 32-9-1.5-39.

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