
By: Delegate McKee

Introduced and read first time: January 27, 1997

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Commercial Law - Abandoned Property - Required Notice**

3 FOR the purpose of altering the manner in which notice must be given to a depositor
4 before certain property held by a banking or financial organization or a business
5 association is presumed to be abandoned; and generally relating to abandoned
6 property.

7 BY repealing and reenacting, with amendments,
8 Article - Commercial Law
9 Section 17-301(a)
10 Annotated Code of Maryland
11 (1990 Replacement Volume and 1996 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - Commercial Law**

15 17-301.

16 (a) The following property held by a banking or financial organization, or business
17 association is presumed abandoned, if the depositor has been issued a notice by [first
18 class mail] CERTIFIED MAIL, RETURN RECEIPT REQUESTED, to the depositor's last
19 known address of the fact that the property will be considered abandoned and there is no
20 response within 30 days to the notification:

21 (1) Any demand, savings, or matured time deposit account made with a
22 banking organization, together with any interest or dividend on it, excluding any charges
23 that lawfully may be withheld, unless, within 5 years, the owner has:

24 (i) Increased or decreased the amount of the deposit;

25 (ii) Presented evidence of the deposit for the crediting of interest;

26 (iii) Corresponded in writing with the banking organization concerning
27 the deposit;

28 (iv) Engaged in any credit, trust, or other deposit transaction with the
29 banking organization; or

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1 (v) Otherwise indicated an interest in the deposit as evidenced by a
2 memorandum on file with the banking organization;

3 (2) Any funds paid toward the purchase of shares or other interest in a
4 financial organization, or any deposit made with these funds, and any interest or
5 dividends on these, excluding any charges that lawfully may be withheld, unless, within 5
6 years, the owner has:

7 (i) Increased or decreased the amount of the funds or deposit, or
8 presented an appropriate record for the crediting of interest or dividends;

9 (ii) Corresponded in writing with the financial organization concerning
10 the funds or deposit;

11 (iii) Engaged in any credit, share, or other deposit transaction with the
12 financial organization; or

13 (iv) Otherwise indicated an interest in the funds or deposit as
14 evidenced by a memorandum on file with the financial organization;

15 (3) Any sum payable on a check certified in this State or on a written
16 instrument issued in this State on which a banking or financial organization or business
17 association is directly liable, including any certificate of deposit, draft, traveler's check,
18 and money order, that has been outstanding for more than 5 years from the date it was
19 payable (or 15 years in the case of a traveler's check) or, if payable on demand, from the
20 date of its issuance, unless, within 5 years or 15 years in the case of a traveler's check, the
21 owner has:

22 (i) Corresponded in writing with the banking or financial organization
23 or business association concerning it; or

24 (ii) Otherwise indicated an interest as evidenced by a memorandum on
25 file with the banking or financial organization or business association; and

26 (4) Any property removed from a safekeeping repository on which the lease
27 or rental period has expired or any surplus amounts arising from the sale of the property
28 pursuant to law, that have been unclaimed by the owner for more than 5 years from the
29 date on which the lease or rental period expired.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 October 1, 1997.