

1 HOUSE BILL NO. 136
2 INTRODUCED BY M. BERTOGLIO
3 BY REQUEST OF THE DEPARTMENT OF REVENUE
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS RELATED TO UNCLAIMED PROPERTY;
6 PROVIDING DEFINITIONS; ~~PROVIDING WHEN ADDITIONAL CATEGORIES OF PROPERTY ARE~~
7 ~~PRESUMED ABANDONED; AMENDING WHEN CERTAIN CATEGORIES OF PROPERTY ARE PRESUMED~~
8 ~~ABANDONED~~; REQUIRING THE HOLDER OF CERTAIN ABANDONED PROPERTY TO LIQUIDATE THE
9 PROPERTY AND REMIT THE PROCEEDS TO THE DEPARTMENT OF REVENUE; PROVIDING FOR AN
10 UNCLAIMED PROPERTY WEBSITE TO BE RUN BY THE DEPARTMENT OF REVENUE; PROVIDING FOR
11 THE CONFIDENTIALITY OF PERSONAL INFORMATION; AND AMENDING SECTIONS ~~70-9-801~~, 70-9-802,
12 70-9-803, 70-9-808, 70-9-809, 70-9-810, 70-9-812, ~~70-9-815~~, 70-9-820, AND 70-9-827, ~~AND 70-9-829~~, MCA."

13
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

15
16 **Section 1.** Section ~~70-9-801~~, MCA, is amended to read:
17 "~~70-9-801. Short title.~~ This part may be cited as the "Uniform Montana Revised Unclaimed Property
18 Act"."

19
20 **Section 1.** Section 70-9-802, MCA, is amended to read:
21 "**70-9-802. Definitions.** In this part, unless the context requires otherwise, the following definitions
22 apply:

- 23 (1) "Administrator" means the department of revenue provided for in 2-15-1301.
24 ~~(2) "Administrator's agent" means a person with which the administrator contracts to conduct an~~
25 ~~examination under 70-9-820 on behalf of the administrator. The term includes an independent contractor~~
26 ~~working for the person and each individual participating in the examination on behalf of the person or~~
27 ~~contractor.~~

28 ~~(2)(3)(2)~~ "Apparent owner" means a person whose name appears on the records of a holder as

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1 ~~(23)~~(17)"Security" means:

2 (a) a security as defined in 30-8-112;

3 (b) a security entitlement as defined in 30-8-112, including a customer security account held by a
4 registered broker-dealer, to the extent the financial assets held in the security account are not:

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

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

8 (iii) specifically indorsed to the person; or

9 (c) an equity interest in a business association not included in subsection ~~(23)(a)~~ (17)(A) or ~~(23)(b)~~
10 (17)(B).

11 ~~(24)~~ "Sign" means, with present intent to authenticate or adopt a record:

12 (a) to execute or adopt a tangible symbol; or

13 (b) to attach to or logically associate with the record an electronic symbol, sound, or process.

14 ~~(16)~~~~(25)~~(18) "State" means a state of the United States, the District of Columbia, the Commonwealth of
15 Puerto Rico, or any territory or insular possession that is subject to the jurisdiction of the United States.

16 ~~(17)~~~~(26)~~(19) "Utility" means a person who owns or operates for public use any plant, equipment, real
17 property, franchise, or license for the transmission of communications or the production, storage, transmission,
18 sale, delivery, or furnishing of electricity, water, steam, or gas.

19 ~~(27)~~~~(20)~~(a) "Virtual currency" means a digital representation of value used as a medium of exchange,
20 unit of account, or store of value that does not have legal tender status recognized by the United States.

21 (b) The term does not include:

22 (i) the software or protocols governing the transfer of the digital representation of value;

23 (ii) game-related digital content; or

24 (iii) a loyalty card.

25 ~~(28)~~~~(21)~~"Worthless security" means a security whose cost of liquidation and delivery to the
26 administrator would exceed the value of the security on the date a report is due under this part."

27

28 **Section 2.** Section 70-9-803, MCA, is amended to read:

1 **"70-9-803. Presumptions of abandonment.** (1) Except as provided in subsection (6), property is
2 presumed abandoned if it is unclaimed by the apparent owner during the time set forth below for the particular
3 property:

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

5 (b) money order, 7 years after issuance;

6 (c) ~~stock or other equity interest in a business association or financial organization, including a~~
7 ~~security entitlement under Title 30, chapter 8, 5 years after the earlier of:~~

8 (i) ~~the date of the most recent dividend, stock split, or other distribution that was unclaimed by the~~
9 ~~apparent owner; or~~

10 (ii) ~~the date of the second mailing of a statement of account or other notification or communication~~
11 ~~that was returned as undeliverable or after the holder discontinued mailings, notifications, or communications to~~
12 ~~the apparent owner;~~

13 (d)(C) debt of a business association or financial organization, other than a bearer bond or an original
14 issue discount bond, 5 years after the date of the most recent interest payment that was unclaimed by the
15 apparent owner;

16 (e)(D) demand, savings, or time deposit, including a deposit that is automatically renewable, 5 years
17 after the earlier of maturity or the date of the last indication by the owner of interest in the property; however, a
18 deposit that is automatically renewable is considered matured for purposes of this section upon its initial date of
19 maturity unless the owner has consented to a renewal at or about the time of the renewal and the consent is in
20 writing or is evidenced by a memorandum or other record on file with the holder;

21 (f)(E) money or credits owed to a customer as a result of a retail business transaction, other than in-
22 store credit for returned merchandise, 3 years after the obligation accrued;

23 (g)(F) gift certificate, 3 years after December 31 of the year in which the certificate was sold, but if
24 redeemable in merchandise only, the amount abandoned is considered to be 60% of the certificate's face value.
25 A gift certificate is not presumed abandoned if the gift certificate was sold by a person who in the past fiscal
26 year sold no more than \$200,000 in gift certificates, which amount must be adjusted by November of each year
27 by the inflation factor. The amount considered abandoned for a person who sells more than the amount that
28 triggers presumption of abandonment is the value of gift certificates greater than that trigger. However, an

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1 ~~issuer that has reported and remitted to the administrator the amount abandoned under this section shall honor~~
2 ~~the card on presentation indefinitely and may then request reimbursement from the administrator under 70-9-~~
3 ~~811.~~

4 (h)(G) amount that is owed by an insurer on a life or endowment insurance policy or an annuity that
5 has matured or terminated, 3 years after the obligation to pay arose or, in the case of a policy or annuity
6 payable upon on proof of death, ~~3 years after the insured has attained, or would have attained if living, the~~
7 ~~limiting age under the mortality table on which the reserve is based has not matured by proof of the death of the~~
8 ~~insured or annuitant, as follows: 3 YEARS AFTER THE INSURED HAS ATTAINED, OR WOULD HAVE ATTAINED IF LIVING,~~
9 ~~THE LIMITING AGE UNDER THE MORTALITY TABLE ON WHICH THE RESERVE IS BASED;~~

10 (i) ~~with respect to an amount owed on a life or endowment insurance policy, 3 years after the~~
11 ~~earlier of the date:~~

12 (A) ~~the insurance company has knowledge of the death of the insured; or~~

13 (B) ~~the insured has attained, or would have attained if living, the limiting age under the mortality~~
14 ~~table on which the reserve for the policy is based; and~~

15 (ii) ~~with respect to an amount owed on an annuity contract, 3 years after the death of the~~
16 ~~annuitant;~~

17 (i)(H) property distributable by a business association or financial organization in a course of
18 dissolution, 1 year after the property becomes distributable;

19 (j)(L) property received by a court as proceeds of a class action and not distributed pursuant to the
20 judgment, 1 year after the distribution date;

21 (k)(J) property held by a court, government, governmental subdivision, agency, or instrumentality, 1
22 year after the property becomes distributable;

23 (l)(K) ~~wages, compensation, bonuses, reimbursements,~~ or other compensation for personal services,
24 1 year after the compensation becomes payable;

25 (m)(L) deposit or refund owed to a subscriber by a utility, 1 year after the deposit or refund becomes
26 payable;

27 (n) ~~property in an individual retirement account, defined benefit plan, or other account or plan that~~
28 ~~is qualified for tax deferral under the income tax laws of the United States, 3 years after the earliest of the date~~

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1 of the distribution or attempted distribution of the property, the date of the required distribution as stated in the
2 plan or trust agreement governing the plan, or the date, if determinable by the holder, specified in the income
3 tax laws of the United States by which distribution of the property must begin in order to avoid a tax penalty;

4 (m) property in an individual retirement account, defined benefit plan, or other account or plan that
5 is qualified for tax deferral under the income tax laws of the United States, 3 years after the earliest of the date
6 of the distribution or attempted distribution of the property, the date of the required distribution as stated in the
7 plan or trust agreement governing the plan, or the date, if determinable by the holder, specified in the income
8 tax laws of the United States by which distribution of the property must begin in order to avoid a tax penalty;

9 ~~(o)(M)(n)~~ a patronage refund owed to a member of a rural electric or telephone cooperative
10 organized under Title 35, chapter 18, that is not used by the cooperative for educational purposes, 5 years after
11 the distribution date;

12 ~~(p)(N)(o)~~ an unclaimed share in a cooperative that is not used for charitable or civic purposes in
13 the community in which the cooperative is located, 5 years after the distribution date; and

14 ~~(q) a state or municipal bond, bearer bond, or original issue discount bond, 3 years after the~~
15 ~~earliest of the date the bond matures or is called or the obligation to pay the principal of the bond arises;~~

16 ~~(r) funds on deposit or held in trust for the prepayment of a funeral or other funeral-related~~
17 ~~expenses, 3 years after the death of the beneficiary;~~

18 ~~(s) property held in a pension account or retirement account that qualifies for tax deferral under the~~
19 ~~income tax laws of the United States, as provided in [section 12];~~

20 ~~(t) except for property described in [section 12] and property held in a plan described in section~~
21 ~~529A of the Internal Revenue Code, 26 U.S.C. 529A, as amended, property held in an account or plan,~~
22 ~~including a health savings account, that qualifies for tax deferral under the income tax laws of the United States,~~
23 ~~as provided in [section 13];~~

24 ~~(u) property held in an account established under a state's Uniform Gifts to Minors Act or Uniform~~
25 ~~Transfers to Minors Act is presumed abandoned if it is unclaimed by or on behalf of the minor on whose behalf~~
26 ~~the account was opened, as provided in [section 14];~~

27 ~~(v)(e)(p)~~ a security, as provided in [section 15 SECTION 40 9]; and

28 ~~(q)(w)(P)(g)~~ all other property, 5 ~~3~~ 5 years after the owner's right to demand the property or after

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1 the obligation to pay or distribute the property arises, whichever first occurs.

2 (2) At the time that an interest is presumed abandoned under subsection (1), any other property
3 right accrued or accruing to the owner as a result of the interest, and not previously presumed abandoned, is
4 also presumed abandoned.

5 (3) Property is unclaimed if, for the applicable period set forth in subsection (1), the apparent
6 owner has not communicated in writing or by other means reflected in a contemporaneous record prepared by
7 or on behalf of the holder with the holder concerning the property or the account in which the property is held
8 and has not otherwise indicated an interest in the property. A communication with an owner by a person other
9 than the holder or its representative who has not in writing identified the property to the owner is not an
10 indication of interest in the property by the owner.

11 (4) An indication of an owner's interest in property includes:

12 (a) the presentment of a check or other instrument of payment of a dividend, ~~interest payment,~~ or
13 other distribution made with respect to an account or underlying stock or other interest in a business
14 association or financial organization or, in the case of a distribution made by electronic or similar means,
15 evidence that the distribution has been received;

16 (b) owner-directed activity in the account in which the property is held, including a direction by the
17 owner to increase, decrease, or change the amount or type of property held in the account;

18 (c) ~~the owner-directed activity of~~ THE making of a deposit to or withdrawal from an account in a
19 financial organization, ~~including an automatic deposit or withdrawal previously authorized by the apparent~~
20 ~~owner other than an automatic reinvestment of dividends or interest; and~~ AND

21 (d) the payment of a premium with respect to a property interest in an insurance policy; however,
22 the application of an automatic premium loan provision or other nonforfeiture provision contained in an
23 insurance policy does not prevent a policy from maturing or terminating if the insured has died or the insured or
24 the beneficiary of the policy has otherwise become entitled to the proceeds before the depletion of the cash
25 surrender value of a policy by the application of those provisions; ~~and~~

26 ~~(e) an action by an agent or other representative of an apparent owner, other than the holder~~
27 ~~acting as the apparent owner's agent, which is presumed to be an action on behalf of the apparent owner.~~

28 (5) Property is payable or distributable for purposes of this part notwithstanding the owner's failure

1 to make demand or present an instrument or document otherwise required to obtain payment.

2 (6) The presumption provided in subsection (1) does not apply to:

3 (a) unclaimed patronage refunds of a rural electric or telephone cooperative if the cooperative
4 uses the refunds exclusively for educational purposes; or

5 (b) unclaimed shares in a nonutility cooperative if the cooperative uses the shares for charitable or
6 civic purposes in the community in which the cooperative is located.

7 (7) For the purposes of this section, "inflation factor" means a number determined for each tax
8 year by dividing the consumer price index for June of the previous tax year by the consumer price index for
9 June 2015."

10

11 **Section 3.** Section 70-9-808, MCA, is amended to read:

12 **"70-9-808. Report of abandoned property.** (1) A holder of property presumed abandoned and
13 subject to the custody of the administrator shall make a report to the administrator concerning the property.

14 (2) The report must be verified and must contain:

15 (a) a description of the property;

16 (b) except with respect to a traveler's check or money order, the name, if known, and last-known
17 address, if any, and the social security number or taxpayer identification number, if readily ascertainable, of the
18 apparent owner of property of the value of \$50 or more;

19 (c) an aggregated amount of items valued under \$50 each;

20 (d) in the case of an amount of \$50 or more held or owing under an annuity or a life or endowment
21 insurance policy, the full name and last-known address of the annuitant or insured and of the beneficiary;

22 (e) in the case of property held in a safe deposit box or other safekeeping depository, an indication
23 of the place where it is held and where it may be inspected by the administrator and any amounts owing to the
24 holder;

25 (f) the date, if any, on which the property became payable, demandable, or returnable and the
26 date of the last transaction with the apparent owner with respect to the property; and

27 (g) other information that the administrator by rule prescribes as necessary for the administration
28 of this part, including personal information as defined in 70-9-802 about the apparent owner or the apparent

1 ~~in trust for the benefit of the administrator on behalf of the apparent owner and is liable to the administrator for~~
2 ~~the full value of the property, plus any accrued interest and penalty. A holder is not required by this section to~~
3 ~~segregate or establish trust accounts for the property, provided the property is timely reported and delivered to~~
4 ~~the administrator in compliance with this section."~~

5

6 **Section 4.** Section 70-9-809, MCA, is amended to read:

7 **"70-9-809. Payment or delivery of abandoned property to administrator.** (1) Except for property
8 held in a safe deposit box or other safekeeping depository, upon filing the report required by 70-9-808, the
9 holder of property presumed abandoned shall pay, deliver, or cause to be paid or delivered to the administrator
10 the property described in the report as unclaimed; however, if the property is an automatically renewable
11 deposit and a penalty or forfeiture in the payment of interest would result, the time for compliance is extended
12 until a penalty or forfeiture would no longer result. Tangible property held in a safe deposit box or other
13 safekeeping depository may not be delivered to the administrator until 60 days after filing the report required by
14 70-9-808.

15 (2) If the property reported to the administrator is a security or security entitlement under Title 30,
16 chapter 8, ~~the administrator is an appropriate person to make an endorsement, instruction, or entitlement order~~
17 ~~on behalf of the apparent owner to invoke the duty of the issuer or its transfer agent or the securities~~
18 ~~intermediary to transfer or dispose of the security or the security entitlement in accordance with Title 30,~~
19 ~~chapter 8~~ the holder shall liquidate the security within 30 days of filing the report and remit the proceeds in
20 United States currency to the administrator. The holder may not sell a security listed on an established stock
21 exchange for less than the price prevailing on the established stock exchange at the time of the sale. The
22 holder may sell a security not listed on the established stock exchange by any commercially reasonable method
23 the administrator is an appropriate person to make an endorsement, instruction, or entitlement order on behalf
24 of the apparent owner to invoke the duty of the issuer or its transfer agent or the securities intermediary to
25 transfer or dispose of the security or the security entitlement in accordance with Title 30, chapter 8.

26 (3) If the property reported to the administrator is a virtual currency, the holder shall liquidate the
27 virtual currency within 30 days of filing the report and remit the proceeds in United States currency to the
28 administrator. The holder may not sell a virtual currency for less than the price prevailing on an established

1 virtual currency exchange at the time of the sale. The holder may sell a virtual currency not listed on an
2 established virtual currency exchange by any commercially reasonable method. ~~Prior to selling a virtual~~
3 ~~currency, the holder shall send written notice to the apparent owner not less than 60 days before the sale that~~
4 ~~the virtual currency will be liquidated.~~

5 ~~(3) If the holder of property reported to the administrator is the issuer of a certificated security, the~~
6 ~~administrator has the right to obtain a replacement certificate pursuant to 30-8-415, but an indemnity bond is~~
7 ~~not required.~~

8 (4) An issuer, the holder, and any transfer agent or other person acting pursuant to the instructions
9 of and on behalf of the issuer or holder in accordance with this section is not liable to the apparent owner and
10 must be indemnified against claims of any person in accordance with 70-9-811."

11

12 **Section 5.** Section 70-9-810, MCA, is amended to read:

13 **"70-9-810. Notice and publication of lists of abandoned property.** (1) ~~The administrator shall~~
14 ~~publish a notice not later than November 30 of the year following the year in which abandoned property has~~
15 ~~been paid or delivered to the administrator. The notice must be published in a newspaper of general circulation~~
16 ~~in the county of this state in which is located the last known address of any person named in the notice. If a~~
17 ~~holder does not report an address for the apparent owner or the address is outside this state, the notice must~~
18 ~~be published in the county in which the holder has its principal place of business within this state or another~~
19 ~~county that the administrator reasonably selects. The advertisement must be in a form that, in the judgment of~~
20 ~~the administrator, is likely to attract the attention of the apparent owner of the unclaimed property. THE~~
21 ADMINISTRATOR SHALL PUBLISH EVERY 3 MONTHS IN AT LEAST ONE NEWSPAPER OF GENERAL CIRCULATION IN EACH
22 COUNTY IN THIS STATE IN WHICH A NEWSPAPER IS PUBLISHED AN ADVERTISEMENT OF PROPERTY HELD BY THE
23 ADMINISTRATOR THAT:

24 (A) DIRECTS THE PUBLIC TO THE ADMINISTRATOR'S UNCLAIMED PROPERTY WEBSITE PROVIDED IN
25 SUBSECTION (2);

26 (B) INCLUDES A TELEPHONE NUMBER AND ELECTRONIC MAIL ADDRESS TO CONTACT THE ADMINISTRATOR
27 TO INQUIRE ABOUT OR CLAIM PROPERTY; AND

28 (C) INCLUDES A STATEMENT THAT A PERSON MAY ACCESS THE INTERNET BY A COMPUTER TO SEARCH FOR

1 UNCLAIMED PROPERTY AND A COMPUTER MAY BE AVAILABLE AS A SERVICE TO THE PUBLIC AT A LOCAL PUBLIC LIBRARY.

2 (2) The administrator shall maintain an unclaimed property website that can be accessed and is
3 easily searchable by the public. The form website must contain:

4 (a) the name of each person appearing to be the owner of the property, as set forth in the report
5 filed by the holder;

6 (b) the last-known address or location of each person appearing to be the owner of the property, if
7 an address or location is set forth in the report filed by the holder;

8 (c) a statement explaining that property of the owner is presumed to be abandoned and has been
9 taken into the protective custody of the administrator; and

10 (d) a statement that information about the property and its return to the owner is available to a
11 person having a legal or beneficial interest in the property, upon request to the administrator.

12 ~~(2) The administrator is not required to advertise the name and address or location of an owner of~~
13 ~~property having a total value less than \$50 or information concerning a traveler's check, money order, or similar~~
14 ~~instrument."~~

15

16 **Section 6.** Section 70-9-812, MCA, is amended to read:

17 **"70-9-812. Public sale of abandoned property.** (1) Except as otherwise provided in this section, the
18 administrator, within 3 years after the receipt of abandoned property, shall sell it to the highest bidder at public
19 sale at a location in the state, which in the judgment of the administrator affords the most favorable market for
20 the property. The administrator may decline the highest bid and reoffer the property for sale if the administrator
21 considers the bid to be insufficient. The administrator need not offer the property for sale if the administrator
22 considers that the probable cost of sale will exceed the proceeds of the sale. A sale held under this section
23 must be preceded by a single publication of notice, at least 3 weeks before sale, ~~in a newspaper of general~~
24 ~~circulation in the county in which the property is to be sold~~ on the unclaimed property website maintained by the
25 administrator.

26 ~~(2) Securities listed on an established stock exchange must be sold at prices prevailing on the~~
27 ~~exchange at the time of sale. Other securities may be sold over the counter at prices prevailing at the time of~~
28 ~~sale or by any reasonable method selected by the administrator. If securities are sold by the administrator~~

1 before the expiration of 3 years after their delivery to the administrator, a person making a claim under this part
 2 before the end of the 3-year period is entitled to the proceeds of the sale of the securities or the market value of
 3 the securities at the time the claim is made, whichever is greater, plus dividends, interest, and other increments
 4 up to the time the claim is made, less any deduction for expenses of sale. A person making a claim under this
 5 part after the expiration of the 3-year period is entitled to receive the securities delivered to the administrator by
 6 the holder, if they still remain in the custody of the administrator, or the net proceeds received from sale and is
 7 not entitled to receive any appreciation in the value of the property occurring after delivery to the administrator
 8 except in a case of intentional misconduct or malfeasance by the administrator.

9 (2) Securities listed on an established stock exchange must be sold at prices prevailing on the
 10 exchange at the time of sale. Other securities may be sold over the counter at prices prevailing at the time of
 11 sale or by any reasonable method selected by the administrator. If securities are sold by the administrator
 12 before the expiration of 3 years after their delivery to the administrator, a person making a claim under this part
 13 before the end of the 3-year period is entitled to the proceeds of the sale of the securities or the market value of
 14 the securities at the time the claim is made, whichever is greater, plus dividends, interest, and other increments
 15 up to the time the claim is made, less any deduction for expenses of sale. A person making a claim under this
 16 part after the expiration of the 3-year period is entitled to receive the securities delivered to the administrator by
 17 the holder, if they still remain in the custody of the administrator, or the net proceeds received from sale and is
 18 not entitled to receive any appreciation in the value of the property occurring after delivery to the administrator
 19 except in a case of intentional misconduct or malfeasance by the administrator.

20 ~~(3)~~(2)(3) A purchaser of property at a sale conducted by the administrator pursuant to this part
 21 takes the property free of all claims of the owner or previous holder and of all persons claiming through or under
 22 them. The administrator shall execute all documents necessary to complete the transfer of ownership."
 23

24 **Section 7.** Section 70-9-815, MCA, is amended to read:

25 **"70-9-815.— Filing claim with administrator — handling of claims by administrator.** (1) A person,
 26 ~~excluding another state, claiming property paid or delivered to the administrator may file a claim on a form~~
 27 ~~prescribed by the administrator and verified by the claimant.~~

28 ~~(2) — Within 90 days after a claim is filed, the administrator shall allow or deny the claim and give~~

1 ~~written notice of the decision to the claimant. If the claim is denied, the administrator shall inform the claimant of~~
2 ~~the reasons for the denial and specify what additional evidence is required before the claim will be allowed. The~~
3 ~~claimant may then file a new claim with the administrator or maintain an action under 70-9-816.~~

4 ~~(3) Within 30 days after a claim is allowed, the property or the net proceeds of a sale of the~~
5 ~~property must be delivered or paid by the administrator to the claimant, together with any dividend, interest, or~~
6 ~~other increment to which the claimant is entitled under 70-9-812.~~

7 ~~(4) A holder that pays the owner for property that has been delivered to the state and that, if~~
8 ~~claimed from the administrator by the owner, would be subject to an increment under 70-9-812 may recover~~
9 ~~from the administrator the amount of the increment."~~

11 **Section 7.** Section 70-9-820, MCA, is amended to read:

12 **"70-9-820. Requests for reports and, examination of records, and confidentiality.** (1) The
13 administrator may require a person that has not filed a report or a person that the administrator believes has
14 filed an inaccurate, incomplete, or false report to file a verified report in a form specified by the administrator.
15 The report must state whether the person is holding property reportable under this part, describe property not
16 previously reported or as to which the administrator has made inquiry, and specifically identify and state the
17 amounts of property that may be in issue.

18 (2) The administrator, at reasonable times and upon reasonable notice, may examine the records
19 of any person to determine whether the person has complied with this part. The administrator may conduct the
20 examination even if the person believes it is not in possession of any property that must be reported, paid, or
21 delivered under this part. The administrator may contract with any other person to conduct the examination on
22 behalf of the administrator.

23 (3) The administrator, at reasonable times, may examine the records of an agent, including a
24 dividend disbursing agent or transfer agent, of a business association or financial organization that is the holder
25 of property presumed abandoned if the administrator has given the notice required by subsection (2) to both the
26 association or organization and the agent at least 90 days before the examination.

27 (4) Documents and working papers obtained or compiled by the administrator, or the
28 administrator's agents, employees, or designated representatives, in the course of conducting an examination

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1 (c) the apparent owner does not respond to the electronic mail communication within 30 days after
2 the communication was sent.

3 (3) If first-class United States mail sent under subsection (2) is returned to the holder undelivered
4 by the United States postal service, the security is presumed abandoned 3 years after the date the mail is
5 returned.

6
7 **NEW SECTION. Section 10. Codification instruction.** [~~Sections 12 through 15 SECTION 10 9~~] **are IS**
8 intended to be codified as an integral part of Title 70, chapter 9, part 8, and the provisions of Title 70, chapter 9,
9 part 8, apply to [~~sections 12 through 15 SECTION 10 9~~].

10 - END -