Sixty-seventh Legislative Assembly of North Dakota

FIRST ENGROSSMENT with House Amendments ENGROSSED SENATE BILL NO. 2048

Introduced by

Industry, Business and Labor Committee

(At the request of the Commission on Uniform State Laws)

- 1 A BILL for an Act to create and enact chapter 47-30.2 of the North Dakota Century Code,
- 2 relating to the Revised Uniform Unclaimed Property Act; to amend and reenact sections
- 3 9-12-29, 10-19.1-123, 10-33-114, and 15-02-05.2, subsection 3 of section 23.1-15-07,
- 4 subsections 8 and 9 of section 26.1-55-02, sections 26.1-55-04, 27-05.2-04, and 30.1-20-14,
- 5 subsection 3 of section 35-20-17, sections 35-36-05, 38-13.1-03, 38-18.1-03, and 44-04-18.25,
- 6 subsection 3 of section 47-16-07.1, section 54-27-15.1, subsection 6 of section 57-38-57,
- 7 subsection 8 of section 57-39.2-23, and section 60-01-34 of the North Dakota Century Code,
- 8 relating to abandoned and unclaimed property; to repeal chapter 47-30.1 of the North Dakota
- 9 Century Code, relating to the uniform unclaimed property act; to provide for a report; to provide
- 10 a penalty; and to provide a continuing appropriation.

11 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 9-12-29 of the North Dakota Century Code is amended
 and reenacted as follows:

14 9-12-29. Claim of money by creditor - Extinguishment of lien.

15 The creditor is entitled to claim the amount of money from the county treasurer within nine 16 months of the date of deposit upon a showing to the county treasurer of a satisfaction of the 17 lien, encumbrance, or cloud which includes an indication by the recorder that the satisfaction 18 has been duly recorded. If the creditor does not claim the money in nine months from the date 19 of first publication of the notice, the money, a copy of the debtor's affidavit, and a copy of the 20 published notice must be forwarded by the county treasurer to the state land commissioner for 21 deposit to the credit of the state of North Dakota for the use and benefit of the common schools 22 trust fund of the state. At the same time these items are forwarded to the state land 23 commissioner, the county treasurer shall record in the office of the recorder a notice to the effect 24 that the lien, encumbrance, or cloud affecting or related to the title to the real property, giving

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1 the specific legal description of the property, has been discharged by the procedures set out in

2 section 9-12-28 and this section. The debtor shall pay the recorder's fees for recording the

3 county treasurer's notice.

4 At any time after the original nine-month period, the creditor, or the creditor's heirs,

5 successors, or assigns, may claim the full amount of the original deposit without any interest or

6 penalty from the state administrator of abandoned property in the manner specified in chapter

7 47-30.147-30.2 for claiming the proceeds of other abandoned and unclaimed property.

8 SECTION 2. AMENDMENT. Section 10-19.1-123 of the North Dakota Century Code is

9 amended and reenacted as follows:

10-19.1-123. Deposit with administrator of abandoned property of amount due certain
 shareholders - Appropriation.

Upon dissolution of a corporation, the portion of the assets distributable to a person who is unknown or cannot be found must be reduced to money and deposited with the administrator of abandoned property for disposition pursuant to chapter 47-30.147-30.2. The amount deposited is appropriated to the administrator of abandoned property and must be paid over to the person or a legal representative, upon proof satisfactory to the administrator of abandoned property of a right to payment.

18 SECTION 3. AMENDMENT. Section 10-33-114 of the North Dakota Century Code is
 19 amended and reenacted as follows:

20 10-33-114. Deposit with administrator of abandoned property of amount due certain 21 persons - Appropriation.

Upon dissolution of a corporation, the portion of the assets distributable to a person who is unknown or cannot be found must be reduced to money and deposited with the administrator of abandoned property for disposition pursuant to chapter 47-30.147-30.2. The amount deposited is appropriated to the administrator of abandoned property and must be paid over to the person or a legal representative, upon proof satisfactory to the administrator of abandoned property of a right to payment.

SECTION 4. AMENDMENT. Section 15-02-05.2 of the North Dakota Century Code is
 amended and reenacted as follows:

1	15-02-0	05.2. Administrator of abandoned property - Employment.						
2	The commissioner of university and school lands shall act as or employ an administrator of							
3	abandoned	abandoned property and shall employ other personnel as necessary for the proper						
4	administration of chapter 47-30.147-30.2 and shall set their salaries, within limits of legislative							
5	appropriations. All public officers shall assist the administrator in carrying out the administration							
6	of chapter 47-30.1<u>47-30.2</u>.							
7	SECTION 5. AMENDMENT. Subsection 3 of section 23.1-15-07 of the North Dakota							
8	Century Co	de is amended and reenacted as follows:						
9	3. Fr	om the proceeds of the sale of an abandoned motor vehicle, the unit of government						
10	or	the commercial towing service may reimburse itself for the cost of towing,						
11	pr	eserving, and storing the vehicle, and for all notice and publication costs incurred						
12	ur	nder this chapter. Any remainder from the proceeds of a sale must be held for the						
13	0\	wher of the vehicle or entitled lienholder or secured parties for ninety days and then						
14	m	ust be delivered to the administrator of the state abandoned property office in						
15	ac	cordance with chapter 47-30.147-30.2.						
16	SECTI	ON 6. AMENDMENT. Subsection 8 of section 26.1-55-02 of the North Dakota						
17	Century Co	de is amended and reenacted as follows:						
18	8. W	ithin twelve months following a potential match identified as a result of a death						
19	m	aster file or revised death master file match, an insurer shall:						
20	a.	Notify the state abandoned property office that a life insurance policy beneficiary						
21		or retained asset accountholder has not submitted and completed a claim with						
22		the insurer and that the insurer has complied with subsections 2 and 3 and has						
23		been unable, after good-faith efforts documented by the insurer, to contact the						
24		retained asset accountholder, beneficiary, or beneficiaries and unable to						
25		complete the necessary payment; and						
26	b.	Submit any unclaimed life insurance benefits or unclaimed retained asset						
27		accounts, plus any applicable accrued interest, to the state abandoned property						
28		office under chapter 47-30.1<u>47-30.2</u>.						
29	SECTION	ON 7. AMENDMENT. Subsection 9 of section 26.1-55-02 of the North Dakota						
30	Century Co	de is amended and reenacted as follows:						

9. Except as otherwise provided under this chapter, chapter 47-30.147-30.2 applies to
 the escheatment of unclaimed life insurance benefits or unclaimed retained asset
 accounts.

SECTION 8. AMENDMENT. Section 26.1-55-04 of the North Dakota Century Code is
 amended and reenacted as follows:

6 **26.1-55-04.** Application.

Section 47-30.1-07 and chapter 47-30.1 Chapter 47-30.2, relating to unclaimed property,
 applyapplies to a contract or policy to the extent the laws do not conflict with this chapter.

9 **SECTION 9. AMENDMENT.** Section 27-05.2-04 of the North Dakota Century Code is

10 amended and reenacted as follows:

27-05.2-04. Clerk to keep record of fees - Monthly report to county auditor or state
 treasurer - Continuing appropriation.

13 A clerk of the district court providing clerk services in accordance with subsection 2 or 6 of 14 section 27-05.2-02 shall keep a public record of all money received as fees for services 15 rendered as clerk. Within three days after the close of each calendar month, the clerk shall file 16 with the county auditor a statement under oath showing the amount of fees received as clerk 17 since the date of the clerk's last report and within three days thereafter the clerk shall deposit 18 with the county treasurer the total sum of such fees which must be used for facilities, except 19 fees that the clerk is directed to deposit with the state treasurer or is authorized expressly to 20 retain. Within three days after the close of each calendar month, a clerk who has become a 21 state employee under subsection 3 or 4 of section 27-05.2-02 shall file with the state treasurer a 22 statement under oath showing the amount of fees received by the clerk since the date of the 23 clerk's last report. Within three days thereafter, the clerk shall deposit with the state treasurer 24 the total sum of fees required to be deposited in the general fund or in a designated special 25 fund. The clerk shall forward to the county treasurer any fees received under section 27-05.2-03 26 which are not required to be deposited in the state general fund or a designated special fund. 27 Those fees must be used for facilities. A special court receivables fund is established in the 28 state treasury for purposes of depositing any money received by the clerk which is not required 29 to be deposited in the state general fund, a different special fund, or the county treasury and 30 which is received as bail or restitution, or otherwise received pursuant to an order of the court. 31 Moneys in the special fund are appropriated to the judicial branch on a continuing basis for

1 purposes of refunding bail, forwarding restitution amounts to the entitled recipient, or otherwise 2 making payments as directed by an order of the court. To facilitate making payments from the 3 special fund, the clerk may establish a special account in the Bank of North Dakota or in a 4 banking institution designated as a depository of public funds under chapter 21-04. If money 5 deposited as bail is forfeited, the clerk shall submit the appropriate sum to the state treasurer for 6 deposit in the state general fund. If the clerk is unable to make payments from the special 7 account because the address of the recipient is unknown or the recipient cannot otherwise be 8 located, the clerk shall dispose of the deposited money in accordance with chapter 9 47-30.1<u>47-30.2</u>. 10 **SECTION 10. AMENDMENT.** Section 30.1-20-14 of the North Dakota Century Code is 11 amended and reenacted as follows: 12 30.1-20-14. (3-914) Disposition of unclaimed assets. 13 If an heir, devisee, or claimant cannot be found, the personal representative shall distribute 14 the missing person's share to the missing person's conservator, if any, otherwise to the 15 unclaimed property administrator under chapter 47-30.147-30.2. 16 SECTION 11. AMENDMENT. Subsection 3 of section 35-20-17 of the North Dakota Century 17 Code is amended and reenacted as follows: 18 3. A lienholder may sell a mobile home thirty days after the lienholder mails notice of the 19 lien to the owner of the mobile home and secured parties of record. After the sale, the 20 lienholder shall forward to the former owner any money resulting from the sale of the 21 mobile home in excess of the amount owed to the lienholder for accrued rents, 22 storage, and removal relating to the mobile home. If the location of the former mobile 23 home owner is not known, any money from a sale in excess of the amount owed is 24 presumed abandoned under chapter 47-30.147-30.2. 25 SECTION 12. AMENDMENT. Section 35-36-05 of the North Dakota Century Code is 26 amended and reenacted as follows: 27 35-36-05. Sale of property - Application of proceeds. 28 At any time before the sale, the lessee may pay the amount necessary to satisfy the lien 29 and redeem the lessee's property. If a sale is held, the owner shall satisfy the lien from the 30 proceeds of the sale and hold the balance, if any, for delivery on demand to the lessee or any 31 other recorded lienholder for a period of six months from the date of sale. Any amount not

- 1 claimed by the lessee from the owner within the six-month period is subject to the reporting
- 2 requirements of section 47-30.1-0847-30.2-04.

3 SECTION 13. AMENDMENT. Section 38-13.1-03 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **38-13.1-03.** Administration of trust.

6 The administration of the trust must comply with the appropriate provisions regulating trusts 7 contained in title 59. Except as provided in this section, trustee or attorney's fees may not be 8 paid from the trust proceeds. All bonuses, rental payments, royalties, and other income must be 9 paid to the trustee until the trust is terminated and notice of its termination is given to all 10 interested parties. The trustee shall distribute all moneys held in the trust to the person entitled 11 to the money upon the order of the district court. A trust in favor of unlocatable owners must be 12 kept in force until the unlocatable owners of the mineral interests in question have successfully 13 claimed their share of the funds held in trust and have filed the notice as provided in section 14 38-13.1-04. The creation of a trust in favor of unlocatable owners does not affect the right of a 15 surface owner who succeeds to ownership of a mineral interest upon its lapse under chapter 16 38-18.1. A person who succeeds to ownership under chapter 38-18.1 owns the mineral interest 17 and the proceeds from the mineral interest from the date of succession. The trustee shall invest 18 funds in a prudent manner. Upon receipt, fifty percent of the moneys paid to the trustee must be 19 credited to the general fund of the county in which the mineral interest is located to defray the 20 costs of administration. Funds held in trust are subject to the laws governing abandoned 21 property as provided in chapter 47-30.147-30.2. 22 SECTION 14. AMENDMENT. Section 38-18.1-03 of the North Dakota Century Code is

23 amended and reenacted as follows:

24 **38-18.1-03.** When mineral interest deemed to be used.

- 25 1. A mineral interest is deemed to be used when:
- 26 a. There are any minerals produced under that interest.
- b. Operations are being conducted thereon for injection, withdrawal, storage, or
 disposal of water, gas, or other fluid substances.
- c. In the case of solid minerals, there is production from a common vein or seam by
 the owners of such mineral interest.

1		d.	The mineral interest on any tract is subject to a lease, mortgage, assignment, or			
2			conveyance of the mineral interest recorded in the office of the recorder in the			
3			county in which the mineral interest is located.			
4		e.	The mineral interest on any tract is subject to an order or an agreement to p			
5			unitize, recorded in the office of the recorder in the county in which the mineral			
6			interest is located.			
7		f.	A proper statement of claim is recorded as provided by section 38-18.1-04.			
8	2.	The	payment of royalties, bonus payments, or any other payment to a named or			
9		unn	amed interest-bearing account, trust account, escrow account, or any similar type			
10		of a	ccount on behalf of a person who cannot be located does not satisfy the			
11		requ	uirements of this section and the mineral interest is not deemed to be used for			
12		purp	poses of this section. Interest on such account must be credited to the account and			
13		may	v not be used for any other purpose. A named or unnamed interest-bearing			
14		acco	ount, trust account, escrow account, or any similar type of account that has been in			
15		exis	tence for three years is deemed to be abandoned property and must be treated as			
16		aba	ndoned property under chapter 47-30.147-30.2. A lease given by a trustee remains			
17		valio	d.			
18	SEC		N 15. AMENDMENT. Section 44-04-18.25 of the North Dakota Century Code is			
19	amende	d and	d reenacted as follows:			
20	44-0	4-18	.25. Value of property paid or delivered to the administrator of the state			
21	abando	ned p	property office - Exempt record.			
22	A record of the value of property paid or delivered to the administrator of the state					
23	abandor	ned p	roperty office under section 47-30.1-1747-30.2-21 is an exempt record.			
24	SEC	TION	N 16. AMENDMENT. Subsection 3 of section 47-16-07.1 of the North Dakota			
25	Century	Code	e is amended and reenacted as follows:			
26	3.	A le	ssor may apply security deposit money and accrued interest upon termination of a			
27		leas	e towards:			
28		a.	Any damages the lessor has suffered by reason of deteriorations or injuries to the			
29			real property or dwelling by the lessee's pet or through the negligence of the			
30			lessee or the lessee's guest.			
31		b.	Any unpaid rent.			

1		c. The costs of cleaning or other repairs which were the responsibility of the lessee,							
2		and which are necessary to return the dwelling unit to its original state when the							
3		lessee took possession, reasonable wear and tear excepted.							
4		Application of any portion of a security deposit not paid to the lessee upon termination							
5		of the lease must be itemized by the lessor. Such itemization together with the amount							
6		due must be delivered or mailed to the lessee at the last address furnished lessor,							
7		along with a written notice within thirty days after termination of the lease and delivery							
8		of possession by the lessee. The notice must contain a statement of any amount still							
9		due the lessor or the refund due the lessee. A lessor is not required to pay interest on							
10		security deposits if the period of occupancy was less than nine months in duration.							
11		Any amounts not claimed from the lessor by the lessee within one year of the							
12		termination of the lease agreement are subject to the reporting requirements of section							
13		47-30.1-08<u>47-30.2-04</u>.							
14	SEC	TION 17. Chapter 47-30.2 of the North Dakota Century Code is created and enacted							
15	as follow	/S:							
16	<u>47-3</u>	0.2-01. (102) Definitions.							
17	<u>As u</u>	sed in this chapter:							
18	<u>1.</u>	"Administrator" means the administrator of the state abandoned property office.							
19	<u>2.</u>	"Administrator's agent" means a person with which the commissioner contracts to							
20		conduct an examination under sections 47-30.2-54, 47-30.2-55, 47-30.2-56,							
21		47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62 on behalf							
22		of the administrator. The term includes an independent contractor of the person and							
23		each individual participating in the examination on behalf of the person or contractor.							
24	<u>3.</u>	"Apparent owner" means a person whose name appears on the records of a holder as							
25		the owner of property held, issued, or owing by the holder.							
26	<u>4.</u>	"Board" means the board of university and school lands.							
27	<u>5.</u>	"Business association" means a corporation, joint stock company, investment							
28		company, partnership, unincorporated association, joint venture, limited liability							
29		company, business trust, trust company, land bank, safe deposit company,							
30		safekeeping depository, financial organization, insurance company, federally chartered							
31		entity, utility, sole proprietorship, or other business entity, whether or not for profit.							

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1	<u>6.</u>	"Cashier's check" means a check that:					
2		a. Is purchased by a remitter and made payable to a designated payee;					
3		b. Is signed by an officer or employee of the financial organization;					
4		c. Authorizes payment of the amount shown on the check's face to the payee;					
5		d. Is a direct obligation of the financial organization; and					
6		e. Is provided to a customer of the financial institution or acquired from the financial					
7		institution for remittance purposes.					
8	<u>7.</u>	"Commissioner" means the commissioner of university and school lands.					
9	<u>8.</u>	"Confidential record" has the same meaning as defined in section 44-04-17.1.					
10	<u>9.</u>	"Department" means the department of trust lands.					
11	<u>10.</u>	"Domicile" means:					
12		a. For a corporation, the state of its incorporation;					
13		b. For a business association whose formation requires a filing with a state, other					
14		than a corporation, the state of its filing;					
15		c. For a federally chartered entity, the state of its home office; and					
16		d. For any other holder, the state of its principal place of business.					
17	<u>11.</u>	"Electronic" means relating to technology having electrical, digital, magnetic, wireless,					
18		optical, electromagnetic, or similar capabilities.					
19	<u>12.</u>	"Electronic mail" means a communication by electronic means, together with					
20		attachments, which is automatically retained and stored and may be readily accessed					
21		or retrieved.					
22	<u>13.</u>	"Financial organization" means a savings and loan association, building and loan					
23		association, savings bank, industrial bank, bank, banking organization, private banker,					
24		trust company, credit union, or an organization defined as a bank or banking					
25		organization under the laws of this state or of the United States.					
26	<u>14.</u>	"Game-related digital content" means digital content that exists only in an electronic					
27		game or electronic-game platform.					
28		a. The term includes:					
29		(1) Game-play currency such as a virtual wallet, even if denominated in United					
30		States currency; and					

1			<u>(2)</u>	The	following if for use or redemption only within the game or platform or
2				<u>anot</u>	her electronic game or electronic-game platform:
3				<u>(a)</u>	Points sometimes referred to as gems, tokens, gold, and similar
4					names; and
5				<u>(b)</u>	Digital codes; and
6		<u>b.</u>	The	term	does not include an item that the issuer:
7			(1)	Pern	nits to be redeemed for use outside a game or platform for:
8				<u>(a)</u>	Money; or
9				<u>(b)</u>	Goods or services that have more than minimal value; or
10			<u>(2)</u>	<u>Othe</u>	erwise monetizes for use outside a game or platform.
11	<u>15.</u>	<u>"Gi</u>	ft card	d" mea	ins a record that:
12		<u>a.</u>	<u>ls u</u>	sable	<u>at:</u>
13			<u>(1)</u>	<u>A sin</u>	<u>gle merchant; or</u>
14			<u>(2)</u>	<u>A sp</u>	ecified group of merchants;
15		<u>b.</u>	<u>ls p</u>	refund	ed before the record is used; and
16		<u>C.</u>	<u>Car</u>	<u>n be us</u>	sed for purchases of goods or services.
17	<u>16.</u>	<u>"Hc</u>	older"	mean	s a person obligated to hold for the account of, or to deliver or pay to,
18		<u>the</u>	owne	er, prop	perty subject to this chapter.
19	<u>17.</u>	<u>"Ins</u>	suran	<u>ce con</u>	npany" has the same meaning as defined in section 26.1-02-01, and
20		also	o inclu	<u>ides a</u>	benevolent society, nonprofit health service corporation, and a health
21		ma	intena	ance o	rganization.
22	<u>18.</u>	<u>"Lo</u>	yalty	card" ı	neans a record given without monetary consideration under an award,
23		rew	/ard, k	penefit	, loyalty, incentive, rebate, or promotional program which may be used
24		<u>or r</u>	edee	med o	nly to obtain goods or services or a discount on goods or services. The
25		<u>terr</u>	n doe	s not i	nclude a record that may be redeemed for money or otherwise
26		mo	netize	ed by t	he issuer.
27	<u>19.</u>	<u>"Mi</u>	neral	procee	eds" means an obligation:
28		<u>a.</u>	<u>To p</u>	bay res	sulting from the production and sale of minerals, including net revenue
29			inte	<u>rest, ro</u>	oyalties, overriding royalties, production payments, and joint operating
30			agre	eemer	its; or

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1		b. For the acquisition and retention of a mineral lease, including bonuses, delay						
2		rentals, shut-in royalties, and minimum royalties.						
3	<u>20.</u>	"Money order" means a payment order for a specified amount of money. The term						
4		includes an express money order and a personal money order on which the remitter is						
5		the purchaser.						
6	<u>21.</u>	"Municipal bond" means a bond or evidence of indebtedness issued by a municipality						
7		or other political subdivision of a state.						
8	<u>22.</u>	"Net card value" means the original purchase price or original issued value of a stored-						
9		value card, plus amounts added to the original price or value, minus amounts used						
10		and any service charge, fee, or dormancy charge permitted by law.						
11	<u>23.</u>	"Non-freely transferable security" means a security that cannot be delivered to the						
12		administrator by the depository trust clearing corporation or similar custodian of						
13		securities providing post-trade clearing and settlement services to financial markets or						
14		cannot be delivered because there is no agent to effect transfer. The term includes a						
15		worthless security.						
16	<u>24.</u>	"Owner" means a person that has a legal, beneficial, or equitable interest in property						
17		subject to this chapter or the person's legal representative when acting on behalf of						
18		and in the best interest of the owner. The term includes:						
19		a. <u>A depositor, for a deposit;</u>						
20		b. A beneficiary, for a trust other than a deposit in trust;						
21		c. A creditor, claimant, or payee, for other property; and						
22		d. The lawful bearer of a record that may be used to obtain money, a reward, or a						
23		thing of value.						
24	<u>25.</u>	"Payroll card" means a record that evidences a payroll-card account that is directly or						
25		indirectly established through an employer and to which electronic fund transfers of						
26		the consumer's wages, salary, or other employee compensation, such as						
27		commissions, are made on a recurring basis, whether the account is operated or						
28		managed by the employer, a third-party payroll processor, a depository institution, or						
29		any other person.						

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1	<u>26.</u>	"Person	" meai	ns an individual, estate, business association, public corporation,
2		governr	nent o	governmental subdivision, agency, or instrumentality, or other legal
3		<u>entity.</u>		
4	<u>27.</u>	"Proper	ty" me	ans tangible property described in section 47-30.2-08 or a fixed and
5		<u>certain</u>	interes	t in intangible property held, issued, or owed in the course of a holder's
6		busines	<u>s or by</u>	a government, governmental subdivision, agency, or instrumentality.
7		<u>a. Th</u>	<u>e term</u>	includes:
8		(1)	<u>All i</u>	ncome from or increments to the property; and
9		<u>(2)</u>	Pro	perty referred to as or evidenced by:
10			<u>(a)</u>	Money, virtual currency, interest, or a dividend, check, draft, deposit,
11				or payroll card;
12			<u>(b)</u>	A credit balance, customer's overpayment, stored-value card, security
13				deposit, refund, credit memorandum, unpaid wage, unused ticket for
14				which the issuer has an obligation to provide a refund, mineral
15				proceeds, or unidentified remittance;
16			<u>(c)</u>	A security except for:
17				(1) <u>A worthless security; or</u>
18				(2) A security that is subject to a lien, legal hold, or restriction
19				evidenced on the records of the holder or imposed by operation
20				of law, if the lien, legal hold, or restriction restricts the holder's or
21				owner's ability to receive, transfer, sell, or otherwise negotiate
22				the security:
23			<u>(d)</u>	A bond, debenture, note, or other evidence of indebtedness;
24			<u>(e)</u>	Money deposited to redeem a security, make a distribution, or pay a
25				dividend:
26			<u>(f)</u>	An amount due and payable under an annuity contract or insurance
27				policy;
28			<u>(g)</u>	An amount distributable from a trust or custodial fund established
29				under a plan to provide health, welfare, pension, vacation, severance,
30				retirement, death, stock purchase, profit-sharing, employee-savings,
31				supplemental-unemployment insurance, or a similar benefit;

1			<u>(h)</u>	Intangible property and any income or increment derived from the
2			. ,	intangible property held in a fiduciary capacity for the benefit of
3				another person;
4			<u>(i)</u>	Mineral proceeds; and
5			(j)	An in-store credit for returned merchandise.
6		<u>b.</u> <u>1</u>	he term	does not include:
7		(*	<u>1) Pro</u> p	perty held in a plan described in Section 529A of the Internal Revenue
8			<u>Cod</u>	<u>e, as amended, [26 U.S.C. 529A];</u>
9		(2	<u>2) Gan</u>	ne-related digital content;
10		<u>(:</u>	<u>3) A lo</u>	yalty card; or
11		(4	<u>4) Agi</u>	ft card.
12	<u>28.</u>	<u>"Putat</u>	ive holde	er" means a person believed by the administrator to be a holder, until the
13		perso	<u>n pays o</u>	r delivers to the administrator property subject to this chapter or the
14		<u>admin</u>	<u>istrator c</u>	or a court makes a final determination that the person is or is not a
15		holder	r	
-		1101001	<u>.</u>	
16	<u>29.</u>		_	he same meaning as defined in section 44-04-17.1.
	<u>29.</u> <u>30.</u>	"Reco	_	•
16		<u>"Reco</u> <u>"Secu</u>	ord" has t rity" mea	•
16 17		<u>"Reco</u> <u>"Secu</u> <u>a. </u>	- <u>rity" mea</u> A security	ans:
16 17 18		<u>"Reco</u> "Secu <u>a.</u> <u>A</u> <u>b.</u> <u>A</u>	rity" has t rity" mea security	ans: ans defined in section 41-08-02;
16 17 18 19		<u>"Reco</u> <u>"Secu</u> <u>a. <u>A</u> <u>b. <u>A</u> s</u></u>	rity" has t rity" mea A security A security Security a	ans: / as defined in section 41-08-02; / entitlement as defined in section 41-08-02, including a customer
16 17 18 19 20		" <u>Reco</u> " <u>Secu</u> <u>a.</u> <u>A</u> <u>b.</u> <u>A</u> <u>s</u>	rity" mean rity" mean A security A security A security and A security and A security A security A security A security and A security A security and A security A security and A security A securi	ans: <u>y as defined in section 41-08-02;</u> <u>y entitlement as defined in section 41-08-02, including a customer</u> account held by a registered broker-dealer, to the extent the financial
16 17 18 19 20 21		" <u>Reco</u> " <u>Secu</u> <u>a.</u> <u>A</u> <u>b.</u> <u>A</u> <u>s</u>	rity" mean rity" mean A security A security and A security A security A security A security	ans: <u>y as defined in section 41-08-02;</u> <u>y entitlement as defined in section 41-08-02, including a customer</u> <u>account held by a registered broker-dealer, to the extent the financial</u> <u>eld in the security account are not:</u>
16 17 18 19 20 21 22		" <u>Reco</u> " <u>Secu</u> a. <u>A</u> b. <u>A</u> <u>s</u> <u>a</u> (1	rity" mean rity" mean A security A security and A security A	ans: <u>y as defined in section 41-08-02;</u> <u>y entitlement as defined in section 41-08-02, including a customer</u> account held by a registered broker-dealer, to the extent the financial <u>eld in the security account are not:</u> istered on the books of the issuer in the name of the person for which
16 17 18 19 20 21 22 23		" <u>Reco</u> " <u>Secu</u> a. <u>A</u> b. <u>A</u> <u>s</u> <u>a</u> (1	rity" mea rity" mea A security A security a security a security a hecurity a	ans: <u>y as defined in section 41-08-02;</u> <u>y entitlement as defined in section 41-08-02, including a customer</u> account held by a registered broker-dealer, to the extent the financial <u>eld in the security account are not:</u> <u>istered on the books of the issuer in the name of the person for which</u> <u>broker-dealer holds the assets:</u>
16 17 18 19 20 21 22 23 24		"Reco "Secu a. <u>A</u> b. <u>A</u> <u>s</u> <u>a</u> (1) (1) (1) (1) (1) (1) (1) (1) (1)	rity" mea rity" mea A security A security a security a assets he 1) Reg the 2) Pay 3) Spe	ans: <u>y as defined in section 41-08-02;</u> <u>y entitlement as defined in section 41-08-02, including a customer</u> <u>account held by a registered broker-dealer, to the extent the financial</u> <u>eld in the security account are not:</u> <u>istered on the books of the issuer in the name of the person for which</u> <u>broker-dealer holds the assets;</u> <u>able to the order of the person; or</u>
16 17 18 19 20 21 22 23 24 25		"Reco "Secu a. <u>A</u> b. <u>A</u> s a (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	rity" mea rity" mea A security A security a security a assets he 1) Reg the 2) Pay 3) Spe An equity	ans: <u>y as defined in section 41-08-02;</u> <u>y entitlement as defined in section 41-08-02, including a customer</u> account held by a registered broker-dealer, to the extent the financial eld in the security account are not: istered on the books of the issuer in the name of the person for which broker-dealer holds the assets; able to the order of the person; or cifically indorsed to the person; or
 16 17 18 19 20 21 22 23 24 25 26 	<u>30.</u>	"Reco "Secu a. <u>A</u> b. <u>A</u> s a c. <u>A</u> (1 (1) (1) (1) (1) (1) (1) (1) (1) (1)	rity" means, rity" means, security security a security a security a security a security a security a security a security a security securi	ans: <u>y as defined in section 41-08-02;</u> <u>y entitlement as defined in section 41-08-02, including a customer</u> <u>account held by a registered broker-dealer, to the extent the financial</u> <u>eld in the security account are not:</u> <u>istered on the books of the issuer in the name of the person for which</u> <u>broker-dealer holds the assets;</u> <u>able to the order of the person; or</u> <u>cifically indorsed to the person; or</u> <u>r interest in a business association not included in subdivision a or b.</u>
 16 17 18 19 20 21 22 23 24 25 26 27 	<u>30.</u>	"Reco "Secu a. <u>A</u> b. <u>A</u> s a (1) (2) (2) (2) (2) (2) (2) (2) (2) (2) (2	rity" means, rity" means, security a security a security a security a security a security a security a security a security a security neans, o execur	ans: <u>as defined in section 41-08-02;</u> <u>a entitlement as defined in section 41-08-02, including a customer</u> <u>account held by a registered broker-dealer, to the extent the financial</u> <u>account held by a registered broker-dealer, to the extent the financial</u> <u>account held by a registered broker-dealer, to the extent the financial</u> <u>account held by a registered broker-dealer, to the extent the financial</u> <u>account held by a registered broker-dealer, to the extent the financial</u> <u>account held by a registered broker-dealer, to the extent the financial</u> <u>account held by a registered broker-dealer, to the extent the financial</u> <u>account held by a registered broker-dealer, to the extent the financial</u> <u>istered on the books of the issuer in the name of the person for which</u> <u>broker-dealer holds the assets;</u> <u>able to the order of the person; or</u> <u>cifically indorsed to the </u>

	•		-			
1	<u>32.</u>	<u>"Stat</u>	e" means a state of the United States, the District of Columbia, the			
2		<u>Com</u>	monwealth of Puerto Rico, the United States Virgin Islands, or any territory or			
3		insul	ar possession subject to the jurisdiction of the United States.			
4	<u>33.</u>	<u>"Stor</u>	"Stored-value card" means a card, code, or other device, including a merchandise			
5		<u>credi</u>	credit or rebate card, which is:			
6		<u>a.</u>	Issued on a prepaid basis primarily for personal, family, or household purposes to			
7			a consumer in a specified amount, whether or not that amount may be increased			
8			or reloaded in exchange for payment;			
9		<u>b.</u>	Redeemable upon presentation at multiple unaffiliated merchants for goods or			
10			services or usable at automated teller machines; and			
11		<u>C.</u>	Not a gift card, payroll card, loyalty card, or game-related digital content.			
12	<u>34.</u>	<u>"Utili</u>	ty" means a person that owns or operates for public use a plant, equipment, real			
13		prop	erty, franchise, or license for the following public services:			
14		<u>a.</u>	Transmission of communications or information;			
15		<u>b.</u>	Production, storage, transmission, sale, delivery, or furnishing of electricity, water,			
16			steam, or gas; or			
17		<u>C.</u>	Provision of sewage or septic services, or trash, garbage, or recycling disposal.			
18	<u>35.</u>	<u>"Virtu</u>	ual currency" means a digital representation of value used as a medium of			
19		<u>exch</u>	ange, unit of account, or store of value, which does not have legal tender status			
20		reco	gnized by the United States. The term does not include:			
21		<u>a.</u>	The software or protocols governing the transfer of the digital representation of			
22			value;			
23		<u>b.</u>	Game-related digital content; or			
24		<u>C.</u>	A loyalty card or gift card.			
25	<u>36.</u>	<u>"Wor</u>	thless security" means a security whose cost of liquidation and delivery to the			
26		<u>admi</u>	inistrator would exceed the value of the security on the date a report is due under			
27		<u>this c</u>	chapter.			
28	<u>47-</u>	<u>30.2-0</u> 2	2. (103) Inapplicability to foreign transaction.			
29	<u>This</u>	chapt	ter does not apply to property held, due, and owing in a foreign country if the			
30	transaction out of which the property arose was a foreign transaction.					

1	<u>47-</u>	<u>47-30.2-03. (104) Rulemaking.</u>				
2	<u>The</u>	The commissioner may adopt rules to implement and administer this chapter.				
3	47-30.2-04. (201) When property presumed abandoned.					
4	Subject to section 47-30.2-12, the following property is presumed abandoned if it is					
5	<u>unclaim</u>	ed by the apparent owner during the period specified below:				
6	<u>1.</u>	Except as provided in this section, checks held, issued, or owing in the ordinary				
7		course of the holder's business which remain uncashed by the owner two years after				
8		becoming payable;				
9	<u>2.</u>	A traveler's check, fifteen years after issuance;				
10	<u>3.</u>	A money order, seven years after issuance;				
11	<u>4.</u>	A state or municipal bond, bearer bond, or original-issue-discount bond, three years				
12		after the earliest of the date:				
13		a. The bond matures;				
14		b. The bond is called; or				
15		c. The obligation to pay the principal of the bond arises;				
16	<u>5.</u>	A debt of a business association, three years after the obligation to pay arises;				
17	<u>6.</u>	A payroll card or a demand, savings, or time deposit, including a time deposit that is				
18		automatically renewable, five years after the date of maturity of the time deposit or the				
19		date of the last indication of interest in the property by the apparent owner, whichever				
20		is earlier, provided a time deposit that is automatically renewable is deemed matured				
21		on its initial date of maturity unless the apparent owner has consented in a record on				
22		file with the holder to renewal at or about the time of the renewal. If an apparent owner				
23		has another established account with the financial institution and has demonstrated				
24		interest in any account under section 47-30.2-12, then all accounts must be				
25		considered active;				
26	<u>7.</u>	A cashier's check or certified check, two years after issuance;				
27	<u>8.</u>	Money or a credit owed to a customer as a result of a retail business transaction, other				
28		than in-store credit for returned merchandise, three years after the obligation arose;				
29	<u>9.</u>	An amount owed by an insurance company on a life or endowment insurance policy or				
30		an annuity contract that has matured or terminated, three years after the obligation to				
31		pay arose under the terms of the policy or contract or, if a policy or contract for which				

1		an amount is owed on proof of death has not matured by proof of the death of the					
2		insured or annuitant, as follows:					
3		a. With respect to an amount owed on a life or endowment insurance policy, three					
4		years after the earlier of the date:					
5		(1) The insurance company has knowledge of the death of the insured; or					
6		(2) The insured has attained, or would have attained if living, the limiting age					
7		under the mortality table on which the reserve for the policy is based; and					
8		b. With respect to an amount owed on an annuity contract, three years after the					
9		date the insurance company has knowledge of the death of the annuitant.					
10	<u>10.</u>	Property distributable by a business association in the course of dissolution, one year					
11		after the property becomes distributable;					
12	<u>11.</u>	Property held by a court, including property received as proceeds of a class action,					
13		three years after the property becomes distributable;					
14	<u>12.</u>	Property held by a government or political subdivision, agency, or instrumentality,					
15		including municipal bond interest and unredeemed principal under the administration					
16		of a paying agent or indenture trustee, three years after the property becomes					
17		distributable;					
18	<u>13.</u>	Wages, commissions, bonuses, or reimbursements to which an employee is entitled,					
19		or other compensation for personal services, one year after the amount becomes					
20		payable:					
21	<u>14.</u>	A deposit or refund owed to a subscriber by a utility, one year after the deposit or					
22		refund becomes payable;					
23	<u>15.</u>	A security deposit, including interest on the security deposit, made in advance by a					
24		person to secure an agreement for rights of services, less any lawsuit deductions,					
25		which remains unclaimed by the owner for more than one year after termination of the					
26		agreement for which the deposit or advance payment was made;					
27	<u>16.</u>	A sum payable as mineral proceeds which has remained unclaimed by the owner for					
28		more than three years after it became payable or distributable and the owner's					
29		underlying right to receive those mineral proceeds are deemed abandoned. At the time					
30		an owner's underlying right to receive mineral proceeds is deemed abandoned, any					

	Legislative Assembly				
1		<u>mir</u>	neral p	proceeds then owing to the owner and any proceeds accruing after that time	
2		<u>are</u>	deen	ned abandoned;	
3	<u>17.</u>	<u>Prc</u>	perty	not specified in this section or sections 47-30.2-05 through 47-30.2-10, the	
4		<u>ear</u>	lier of	three years after the owner first has a right to demand the property or the	
5		<u>obl</u>	igatio	n to pay or distribute the property arises.	
6	<u>47-</u>	<u> 30.2-</u>	<u>05. (2</u>	02) When tax-deferred or tax-exempt retirement account presumed	
7	<u>abando</u>	oned.	L		
8	<u>1.</u>	<u>Sul</u>	<u>bject t</u>	o section 47-30.2-12, property held in a pension account or retirement	
9		acc	count	that qualifies for tax deferral or tax exemption under the income tax laws of	
10		<u>the</u>	Unite	d States is presumed abandoned if it is unclaimed by the apparent owner	
11		thre	ee yea	ars after the later of:	
12		<u>a.</u>	The	following dates:	
13			(1)	Except as in paragraph 2, the date a second consecutive communication	
14				sent by the holder by first-class United States mail to the apparent owner is	
15				returned to the holder undelivered by the United States postal service; or	
16			<u>(2)</u>	If the second communication is sent later than thirty days after the date the	
17				first communication is returned undelivered, the date the first	
18				communication was returned undelivered by the United States postal	
19				service; or	
20		<u>b.</u>	<u>The</u>	earlier of the following dates:	
21			<u>(1)</u>	The date the apparent owner becomes seventy-two years of age, if	
22				determinable by the holder; or	
23			<u>(2)</u>	If the Internal Revenue Code, as amended, [26 U.S.C. 1 et seq.] or title 57,	
24				requires distribution to avoid a tax penalty, two years after the date the	
25				holder:	
26				(a) Receives confirmation of the death of the apparent owner in the	
27				ordinary course of its business; or	
28				(b) Confirms the death of the apparent owner under subsection 2.	
29	<u>2.</u>	<u>lf a</u>	holde	er in the ordinary course of its business receives notice or an indication of the	
30		<u>dea</u>	ath of	an apparent owner and subdivision b of subsection 1 applies, the holder shall	

1		atte	empt not later than ninety days after receipt of the notice or indication to confirm
2		<u>wh</u>	ether the apparent owner is deceased.
3	<u>3.</u>	<u>lf th</u>	ne holder does not send communications to the apparent owner of an account
4		des	scribed in subsection 1 by first-class United States mail, the holder shall attempt to
5		<u>cor</u>	firm the apparent owner's interest in the property by sending the apparent owner
6		<u>an</u>	electronic-mail communication not later than two years after the apparent owner's
7		last	t indication of interest in the property. However, the holder promptly shall attempt to
8		<u>cor</u>	ntact the apparent owner by first-class United States mail if:
9		<u>a.</u>	The holder does not have information needed to send the apparent owner an
10			electronic-mail communication;
11		<u>b.</u>	The holder receives notification that the electronic-mail communication was not
12			received; or
13		<u>C.</u>	The apparent owner does not respond to the electronic-mail communication not
14			later than thirty days after the communication was sent.
15	<u>4.</u>	<u>lf fi</u>	rst-class United States mail sent under subsection 3 is returned to the holder
16		unc	delivered by the United States postal service, the property is presumed abandoned
17		<u>thre</u>	ee years after the later of:
18		<u>a.</u>	Except as in subdivision b, the date a second consecutive communication to
19			contact the apparent owner sent by first-class United States mail is returned to
20			the holder undelivered;
21		<u>b.</u>	If the second communication is sent later than thirty days after the date the first
22			communication is returned undelivered, the date the first communication was
23			returned undelivered; or
24		<u>C.</u>	The date established by subdivision b of subsection 1.
25	<u>47-</u> ;	30.2-	06. (203) When other tax-deferred or tax-exempt account presumed
26	<u>abando</u>	ned.	
27	<u>Sub</u>	oject (to section 47-30.2-12 and except for property described in section 47-30.2-05 and
28	property	/ helo	d in a plan described in Section 529A of the Internal Revenue Code, as amended,
29	[<u>26 U.S</u>	. <u>C. 5</u>	29A] property held in an account or plan, including a health savings account, that
30	qualifies	s for t	tax deferral or tax exemption under the income tax laws of the United States is
31	presum	ed at	pandoned if it is unclaimed by the apparent owner three years after the earlier of:

1	<u>1.</u>	The date, if determinable by the holder, specified in the income tax laws and
2		regulations of the United States by which distribution of the property must begin to
3		avoid a tax penalty, with no distribution having been made; or
4	<u>2.</u>	Thirty years after the date the account was opened.
5	<u>47-3</u>	0.2-07. (204) When custodial account for minor presumed abandoned.
6	<u>1.</u>	Subject to section 47-30.2-12, property held in an account established under a state's
7		Uniform Gifts to Minors Act or Uniform Transfers to Minors Act is presumed
8		abandoned if it is unclaimed by or on behalf of the minor on whose behalf the account
9		was opened three years after the later of:
10		a. Except as in subdivision b, the date a second consecutive communication sent
11		by the holder by first-class United States mail to the custodian of the minor on
12		whose behalf the account was opened is returned undelivered to the holder by
13		the United States postal service;
14		b. If the second communication is sent later than thirty days after the date the first
15		communication is returned undelivered, the date the first communication was
16		returned undelivered; or
17		c. The date on which the custodian of the minor, as defined under section
18		47-24.1-01, is required to transfer the property to the minor or the minor's estate
19		in accordance with the Uniform Gifts to Minors Act or Uniform Transfers to Minors
20		Act of the state in which the account was opened.
21	<u>2.</u>	If the holder does not send communications to the custodian of the minor on whose
22		behalf an account described in subsection 1 was opened by first-class United States
23		mail, the holder shall attempt to confirm the custodian of the minor's interest in the
24		property by sending the custodian of the minor an electronic-mail communication not
25		later than two years after the custodian of the minor's last indication of interest in the
26		property. However, the holder promptly shall attempt to contact the custodian of the
27		minor by first-class United States mail if:
28		a. The holder does not have information needed to send the custodian of the minor
29		an electronic-mail communication or the holder believes that the custodian of the
30		minor's electronic-mail address in the holder's records is not valid;

1		<u>b.</u>	The holder receives notification that the electronic-mail communication was not
2			received; or
3		<u>C.</u>	The custodian of the minor does not respond to the electronic-mail
4			communication not later than thirty days after the communication was sent.
5	<u>3.</u>	<u>lf fir</u>	st-class United States mail sent under subsection 2 is returned undelivered to the
6		<u>holc</u>	der by the United States postal service, the property is presumed abandoned three
7		yea	rs after the later of:
8		<u>a.</u>	The date a second consecutive communication to contact the custodian of the
9			minor by first-class United States mail is returned to the holder undelivered by the
10			United States postal service; or
11		<u>b.</u>	The date established by subdivision c of subsection 1.
12	<u>4.</u>	<u>The</u>	property in the account described in subsection 1 ceases to be subject to this
13		<u>sect</u>	tion on the date the property is transferred to the minor or to the minor's estate.
14	<u>47-3</u>	80.2-0	08. (205) When contents of safe deposit box presumed abandoned.
15	Tang	gible	property held in a safe deposit box is presumed abandoned if the property remains
16	unclaime	ed by	the apparent owner three years after the earlier of the:
17	<u>1.</u>	<u>Exp</u>	iration of the lease or rental period for the box; or
18	<u>2.</u>	<u>Earl</u>	liest date when the lessor of the box is authorized by law of this state other than
19		<u>this</u>	chapter to enter the box and remove or dispose of the contents without consent or
20		<u>auth</u>	norization of the lessee.
21	<u>47-3</u>	<u>80.2-0</u>	09. (206) When stored-value card presumed abandoned.
22	<u>1.</u>	<u>Sub</u>	ject to section 47-30.2-12, the net card value of a stored-value card, other than a
23		pay	roll card, is presumed abandoned on the latest of three years after:
24		<u>a.</u>	December thirty-first of the year in which the card is issued or additional funds
25			are deposited into the card;
26		<u>b.</u>	The most recent indication of interest in the card by the apparent owner; or
27		<u>C.</u>	A verification or review of the balance by or on behalf of the apparent owner.
28	<u>2.</u>	<u>The</u>	amount presumed abandoned in a stored-value card is the net card value at the
29		<u>time</u>	e it is presumed abandoned.
30	<u>47-3</u>	30.2- 1	10. (208) When security presumed abandoned.
31	<u>1.</u>	<u>Sub</u>	ject to section 47-30.2-12, a security is presumed abandoned three years after:

1		<u>a.</u>	The date a second consecutive communication sent by the holder by first-class
2			United States mail to the apparent owner is returned to the holder undelivered by
3			the United States postal service; or
4		<u>b.</u>	If the second communication is made later than thirty days after the first
5			communication is returned, the date the first communication is returned
6			undelivered to the holder by the United States postal service.
7	<u>2.</u>	<u>lf th</u>	e holder does not send communications to the apparent owner of a security by
8		<u>first</u>	-class United States mail, the holder shall attempt to confirm the apparent owner's
9		<u>inte</u>	rest in the security by sending the apparent owner an electronic-mail
10		<u>com</u>	munication not later than two years after the apparent owner's last indication of
11		<u>inte</u>	rest in the security. However, the holder promptly shall attempt to contact the
12		<u>app</u>	arent owner by first-class United States mail if:
13		<u>a.</u>	The holder does not have information needed to send the apparent owner an
14			electronic-mail communication or the holder believes that the apparent owner's
15			electronic-mail address in the holder's records is not valid;
16		<u>b.</u>	The holder receives notification that the electronic-mail communication was not
17			received; or
18		<u>C.</u>	The apparent owner does not respond to the electronic-mail communication not
19			later than thirty days after the communication was sent.
20	<u>3.</u>	<u>lf fir</u>	st-class United States mail sent under subsection 2 is returned to the holder
21		<u>und</u>	elivered by the United States postal service, the security is presumed abandoned
22		<u>thre</u>	e years after the date the mail is returned.
23	<u>47-3</u>	0.2- 1	1. (209) When related property presumed abandoned.
24	<u>At a</u>	nd af	ter the time property is presumed abandoned under this chapter, any other
25	property	right	or interest accrued or accruing from the property and not previously presumed
26	<u>abandon</u>	ied is	also presumed abandoned.
27	<u>47-3</u>	0.2-1	2. (210) Indication of apparent owner interest in property.
28	<u>1.</u>	<u>The</u>	period after which property is presumed abandoned is measured from the later of:
29		<u>a.</u>	The date the property is presumed abandoned under sections 47-30.2-04,
30			47-30.2-05, 47-30.2-06, 47-30.2-07, 47-30.2-08, 47-30.2-09, 47-30.2-10,
31			47-30.2-11, 47-30.2-12, 47-30.2-13, and 47-30.2-14; or

1		<u>b.</u>	The latest indication of interest by the apparent owner in the property.
2	<u>2.</u>	<u>Und</u>	ler this chapter, an indication of an apparent owner's interest in property includes:
3		<u>a.</u>	A record communicated by the apparent owner to the holder or agent of the
4			holder concerning the property or the account in which the property is held;
5		<u>b.</u>	An oral communication by the apparent owner to the holder or agent of the holder
6			concerning the property or the account in which the property is held, if the holder
7			or its agent contemporaneously makes and preserves a record of the fact of the
8			apparent owner's communication;
9		<u>C.</u>	Presentment of a check or other instrument of payment of a dividend, interest
10			payment, or other distribution, or evidence of receipt of a distribution made by
11			electronic or similar means, with respect to an account, underlying security, or
12			interest in a business association;
13		<u>d.</u>	Activity directed by an apparent owner in the account in which the property is
14			held, including accessing the account or information concerning the account, or a
15			direction by the apparent owner to increase, decrease, or otherwise change the
16			amount or type of property held in the account;
17		<u>e.</u>	A deposit into or withdrawal from an account at a financial organization, including
18			an automatic deposit or withdrawal previously authorized by the apparent owner
19			other than an automatic reinvestment of dividends or interest;
20		<u>f.</u>	Subject to subsection 5, payment of a premium on an insurance policy; and
21		<u>g.</u>	Any other action by the apparent owner which reasonably demonstrates to the
22			holder that the apparent owner knows that the property exists.
23	<u>3.</u>	<u>An a</u>	action by an agent or other legal representative of an apparent owner, other than
24		<u>the</u>	holder acting as the apparent owner's agent, is presumed to be an action on
25		<u>beh</u>	alf of the apparent owner.
26	<u>4.</u>	<u>A co</u>	ommunication with an apparent owner by a person other than the holder or the
27		hold	der's representative is not an indication of interest in the property by the apparent
28		own	er unless a record of the communication evidences the apparent owner's
29		<u>kno</u>	wledge of a right to the property.
30	<u>5.</u>	<u>lf th</u>	e insured dies or the insured or beneficiary of an insurance policy otherwise
31		bec	omes entitled to the proceeds before depletion of the cash surrender value of the

1		poli	<u>cy by</u>	operation of an automatic-premium-loan provision or other nonforfeiture
2		prov	ision	contained in the policy, the operation does not prevent the policy from
3		mat	uring	or terminating.
4	<u>47-3</u>	80.2-1	13. (2 ⁻	11) Knowledge of death of insured or annuitant.
5	<u>1.</u>	<u>In th</u>	nis se	ction, "death master file" means the United States social security
6		<u>adn</u>	ninistr	ation death master file or other database or service that is at least as
7		<u>com</u>	nprehe	ensive as the United States social security administration death master file for
8		dete	ermini	ing that an individual reportedly has died.
9	<u>2.</u>	With	n resp	pect to a life or endowment insurance policy or annuity contract for which an
10		amo	ount is	s owed on proof of death, but which has not matured by proof of death of the
11		<u>insı</u>	ired o	or annuitant, the company has knowledge of the death of an insured or
12		<u>ann</u>	uitant	t when:
13		<u>a.</u>	<u>The</u>	company receives a death certificate or court order determining that the
14			<u>insu</u>	red or annuitant has died;
15		<u>b.</u>	<u>Due</u>	diligence, performed as required under section 26.1-55-02 to maintain
16			<u>cont</u>	tact with the insured or annuitant or determine whether the insured or
17			anni	uitant has died, validates the death of the insured or annuitant;
18		<u>C.</u>	<u>The</u>	company conducts a comparison for any purpose between a death master
19			<u>file a</u>	and the names of some or all of the company's insureds or annuitants, finds a
20			mate	ch that provides notice that the insured or annuitant has died, and validates
21			the o	death; or
22		<u>d.</u>	<u>The</u>	company:
23			<u>(1)</u>	Receives notice of the death of the insured or annuitant from an
24				administrator, beneficiary, policy owner, relative of the insured, or trustee or
25				from a personal representative, or other legal representative of the insured's
26				or annuitant's estate; and
27			<u>(2)</u>	Validates the death of the insured or annuitant.
28	<u>3.</u>	<u>The</u>	follo	wing apply under this section:
29		<u>a.</u>	<u>A de</u>	eath master file match under subdivision c of subsection 2 occurs if the
30			<u>crite</u>	ria for an exact or partial match are satisfied as provided by:
31			<u>(1)</u>	Law of this state other than this chapter, including chapter 26.1-55; or

1			(2) A rule or policy adopted by the insurance commissioner;
2		<u>b.</u>	The death master file match does not constitute proof of death for the purpose of
3			submission to an insurance company of a claim by a beneficiary, annuitant, or
4			owner of the policy or contract for an amount due under an insurance policy or
5			annuity contract.
6		<u>C.</u>	The death master file match or validation of the insured's or annuitant's death
7			does not alter the requirements for a beneficiary, annuitant, or owner of the policy
8			or contract to make a claim to receive proceeds under the terms of the policy or
9			contract.
10		<u>d.</u>	The company shall make a good-faith effort using available records and
11			information to document the death of the insured or annuitant in accordance with
12			the time frame specified in chapter 26.1-55-02.
13	<u>4.</u>	<u>This</u>	chapter does not affect the determination of the extent to which an insurance
14	1	<u>com</u>	pany before the effective date of this chapter had knowledge of the death of an
15	į	insu	red or annuitant or was required to conduct a death master file comparison to
16	!	<u>dete</u>	rmine whether amounts owed by the company on a life or endowment insurance
17		polic	cy or annuity contract were presumed abandoned or unclaimed.
18	<u>47-30</u>).2-1	4. (212) Deposit account for proceeds of insurance policy or annuity
19	<u>contract.</u>	L	
20	<u>lf pro</u>	ceed	Is payable under a life or endowment insurance policy or annuity contract are
21	deposited	l into	an account with check or draft writing privileges for the beneficiary of the policy
22	or contrac	<u>ct an</u>	d, under a supplementary contract not involving annuity benefits other than death
23	<u>benefits, t</u>	the p	proceeds are retained by the insurance company or the financial organization
24	where the	e acc	count is held, the policy or contract includes the assets in the account.
25	<u>47-30</u>).2-1	5. (301) Address of apparent owner to establish priority.
26	<u>In sec</u>	ction	s 47-30.2-15, 47-30.2-16, 47-30.2-17, 47-30.2-18, 47-30.2-19, and 47-30.2-20,
27	the follow	<u>ving a</u>	apply:
28	<u>1.</u>	The	last-known address of an apparent owner is any description, code, or other
29	i	indic	ation of the location of the apparent owner which identifies the state, even if the
30	2	desc	cription, code, or indication of location is not sufficient to direct the delivery of first-
31	1	class	s United States mail to the apparent owner.

0	,
<u>2.</u>	If the United States postal zip code associated with the apparent owner is for a post
	office located in this state, this state is deemed to be the state of the last-known
	address of the apparent owner unless other records associated with the apparent
	owner specifically identify the physical address of the apparent owner to be in another
	state.
<u>3.</u>	If the address under subsection 2 is in another state, the other state is deemed to be
	the state of the last-known address of the apparent owner.
<u>4.</u>	The address of the apparent owner of a life or endowment insurance policy or annuity
	contract or its proceeds is presumed to be the address of the insured or annuitant if a
	person other than the insured or annuitant is entitled to the amount owed under the
	policy or contract and the address of the other person is not known by the insurance
	company and cannot be determined under section 47-30.2-16.
<u>47-</u>	30.2-16. (302) Address of apparent owner in this state.
The	administrator may take custody of property that is presumed abandoned, whether
located	in this state, another state, or a foreign country if:
<u>1.</u>	The last-known address of the apparent owner in the records of the holder is in this
	state; or
<u>2.</u>	The records of the holder do not reflect the identity or last-known address of the
	apparent owner, but the administrator has determined that the last-known address of
	the apparent owner is in this state.
<u>47-</u> ;	30.2-17. (303) If records show multiple addresses of apparent owner.
<u>1.</u>	Except as in subsection 2, if records of a holder reflect multiple addresses for an
	apparent owner and this state is the state of the most recently recorded address, this
	state may take custody of property presumed abandoned, whether located in this state
	or another state.
<u>2.</u>	If it appears from records of the holder that the most recently recorded address of the
	apparent owner under subsection 1 is a temporary address and this state is the state
	of the next most recently recorded address that is not a temporary address, this state
	may take custody of the property presumed abandoned.
	3. 4. 47-3 The located 1. 2. 47-3 1.

1	<u>47-</u>	30.2-18. (304) Holder domiciled in this state.
2	<u>1.</u>	Except as in subsection 2 or section 47-30.2-16 or 47-30.2-17, the administrator may
3		take custody of property presumed abandoned, whether located in this state, another
4		state, or a foreign country, if the holder is domiciled in this state or is this state or a
5		political subdivision, agency, or instrumentality of this state; and
6		a. Another state or foreign country is not entitled to the property because there is no
7		last-known address of the apparent owner or other person entitled to the property
8		in the records of the holder; or
9		b. The state or foreign country of the last-known address of the apparent owner or
10		other person entitled to the property does not provide for custodial taking of the
11		property.
12	<u>2.</u>	Property is not subject to custody of the administrator under subsection 1 if the
13		property is specifically exempt from custodial taking under the law of this state or the
14		state or foreign country of the last-known address of the apparent owner.
15	<u>3.</u>	If a holder's state of domicile has changed since the time property was presumed
16		abandoned, the holder's state of domicile in this section is deemed to be the state
17		where the holder was domiciled at the time the property was presumed abandoned.
18	<u>47-</u>	30.2-19. (305) Custody if transaction took place in this state.
19	Exc	ept as in section 47-30.2-16, 47-30.2-17, or 47-30.2-18, the administrator may take
20	<u>custody</u>	of property presumed abandoned whether located in this state or another state if:
21	<u>1.</u>	The transaction out of which the property arose took place in this state;
22	<u>2.</u>	The holder is domiciled in a state that does not provide for the custodial taking of the
23		property, except that if the property is specifically exempt from custodial taking under
24		the law of the state of the holder's domicile, the property is not subject to the custody
25		of the administrator; and
26	<u>3.</u>	The last-known address of the apparent owner or other person entitled to the property
27		is unknown or in a state that does not provide for the custodial taking of the property.
28		except that if the property is specifically exempt from custodial taking under the law of
29		the state of the last-known address, the property is not subject to the custody of the
30		administrator.

1	<u>47-</u>	47-30.2-20. (306) Traveler's check, money order, or similar instrument.			
2	The	The administrator may take custody of sums payable on a traveler's check, money order, or			
3	<u>similar i</u>	similar instrument presumed abandoned to the extent permissible under 12 U.S.C. 2501			
4	<u>through</u>	2503	<u>3.</u>		
5	<u>47-</u>	<u> 30.2-</u>	21. (401) Report required by holder.		
6	<u>1.</u>	<u>A h</u>	older of property presumed abandoned and subject to the custody of the		
7		<u>adr</u>	ninistrator shall report in a record to the administrator concerning the property.		
8	<u>2.</u>	<u>A h</u>	older may contract with a third party to make the report required under		
9		<u>sub</u>	osection 1.		
10	<u>3.</u>	<u>Wh</u>	ether or not a holder contracts with a third party under subsection 2, the holder is		
11		res	ponsible:		
12		<u>a.</u>	To the administrator for the complete, accurate, and timely reporting of property		
13			presumed abandoned; and		
14		<u>b.</u>	For paying or delivering to the administrator property described in the report.		
15	<u>4.</u>	<u>A h</u>	older may file a negative report if the holder does not have reportable property or		
16		<u>saf</u>	e deposit box contents.		
17	<u>47-</u>	30.2-	22. (402) Content of report.		
18	<u>1.</u>	<u>The</u>	e report filed under section 47-30.2-21 must:		
19		<u>a.</u>	Be signed by or on behalf of the holder and verified as to its completeness and		
20			accuracy;		
21		<u>b.</u>	Be filed electronically in a secure format approved by the administrator which		
22			protects confidential information of the apparent owner in the same manner as		
23			required of the administrator and the administrator's agent under sections		
24			47-30.2-71, 47-30.2-72, and 47-30.2-73;		
25		<u>C.</u>	Describe the property;		
26		<u>d.</u>	Except for a traveler's check, money order, or similar instrument, contain the		
27			name, if known, last-known address, if known, and social security number or		
28			taxpayer identification number, if known or readily ascertainable, of the apparent		
29			owner of property with a value of twenty-five dollars or more;		
30		<u>e.</u>	For an amount held or owing under a life or endowment insurance policy or		
31			annuity contract, contain the name and last-known address of the insured,		

1			annuitant, or other apparent owner of the policy or contract and of the
2			beneficiary:
3		<u>f.</u>	For property held in or removed from a safe deposit box, indicate the location of
4			the property, where it may be inspected by the administrator, and any amounts
5			owed to the holder under section 47-30.2-35;
6		<u>g.</u>	Contain the commencement date for determining abandonment under sections
7			<u>47-30.2-04, 47-30.2-05, 47-30.2-06, 47-30.2-07, 47-30.2-08, 47-30.2-09,</u>
8			47-30.2-10, 47-30.2-11, 47-30.2-12, 47-30.2-13, and 47-30.2-14;
9		<u>h.</u>	State that the holder has complied with the notice requirements of section
10			<u>47-30.2-26;</u>
11		<u>i.</u>	Identify property that is a non-freely transferable security and explain why it is a
12			non-freely transferable security; and
13		<u>j.</u>	Contain other information the commissioner prescribes by rules.
14	<u>2.</u>	<u>A re</u>	eport under section 47-30.2-21 may include in the aggregate items valued under
15		<u>twe</u>	nty-five dollars each. If the report includes items in the aggregate valued under
16		<u>twe</u>	nty-five dollars each, the administrator may not require the holder to provide the
17		nan	ne and address of an apparent owner of an item unless the information is
18		<u>nec</u>	essary to verify or process a claim in progress by the apparent owner.
19	<u>3.</u>	<u>A re</u>	eport under section 47-30.2-21 may include personal information about the
20		<u>app</u>	arent owner or the apparent owner's property to the extent not otherwise
21		prol	hibited by state and federal law.
22	<u>4.</u>	<u>The</u>	e administrator and any state employee conducting an examination on the
23		<u>adn</u>	ninistrator's behalf are exempt from chapter 6-08.1.
24	<u>5.</u>	<u>lf a</u>	holder has changed the holder's name while holding property presumed
25		<u>aba</u>	indoned or is a successor to another person that previously held the property for
26		<u>the</u>	apparent owner, the holder shall include in the report under section 47-30.2-21 the
27		holo	der's former name or the name of the previous holder, if any, and the known name
28		and	address of each previous holder of the property.

1	<u>47-</u> ;	30.2-23. (403) When report to be filed.	
2	<u>1.</u>	Except as otherwise provided under this section, the report under section 47-30.2-21	
3		must be filed before November first of each year and cover the twelve months	
4		preceding July first of that year.	
5	<u>2.</u>	Subject to subsection 3, the report under section 47-30.2-21 to be filed by a life	
6		insurance company must be filed before May first of each year for the immediately	
7		preceding calendar year.	
8	<u>3.</u>	Before the date for filing the report under section 47-30.2-21, the holder of property	
9		presumed abandoned may request the administrator to extend the time for filing. The	
10		administrator may grant an extension.	
11	<u>4.</u>	The commissioner may grant an extension of the reporting date for good cause in the	
12		event of a national or state emergency.	
13	<u>47-</u> ;	30.2-24. (404) Retention of records by holder.	
14	<u>A ho</u>	older required to file a report under section 47-30.2-21 shall retain records for ten years	
15	after the later of the date the report was filed or the last date a timely report was due to be filed,		
16	unless a shorter period is provided by rule of the commissioner. The holder may satisfy the		
17	requirer	nent to retain records under this section through an agent. The records must contain:	
18	<u>1.</u>	The information required to be included in the report;	
19	<u>2.</u>	The date, place, and nature of the circumstances that gave rise to the property right;	
20	<u>3.</u>	The amount or value of the property;	
21	<u>4.</u>	The last address of the apparent owner, if known to the holder; and	
22	<u>5.</u>	If the holder sells, issues, or provides to others for sale or issue in this state traveler's	
23		checks, money orders, or similar instruments, other than third-party bank checks, on	
24		which the holder is directly liable, a record of the instruments while they remain	
25		outstanding indicating the state and date of issue.	
26	<u>47-</u> ;	30.2-25. (405) Property reportable and payable or deliverable absent owner	
27	<u>demano</u>	<u>1.</u>	
28	Pro	perty is reportable and payable or deliverable under this chapter even if the owner fails	
29	<u>to make</u>	demand or present an instrument or document otherwise required to obtain payment.	

1	<u>47-:</u>	30.2-26. (501) Notice to apparent owner by holder.		
2	<u>1.</u>	Subject to subsection 2, the holder of property presumed abandoned shall send to the		
3		apparent owner notice by first-class United States mail that complies with section		
4		47-30.2-27 in a format acceptable to the administrator not more than one hundred		
5		twenty days before filing the report under section 47-30.2-21 if:		
6		a. The holder has in the holder's records an address for the apparent owner which		
7		the holder's records do not disclose to be invalid and is sufficient to direct the		
8		delivery of first-class United States mail to the apparent owner; and		
9		b. The value of the property is twenty-five dollars or more.		
10	<u>2.</u>	If an apparent owner has consented to receive electronic mail delivery from the holder,		
11		the holder shall send the notice described in subsection 1 both by first-class United		
12		States mail to the apparent owner's last-known mailing address and by electronic mail,		
13		unless the holder believes that the apparent owner's electronic-mail address is invalid.		
14	<u>47-</u> 3	30.2-27. (502) Contents of notice by holder.		
15	<u>1.</u>	Notice under section 47-30.2-26 must contain a heading that reads substantially as		
16		follows:		
17		"Notice. The State of North Dakota requires us to notify you that your property may be		
18		transferred to the custody of the North Dakota unclaimed property administrator if you		
19		do not contact us before (insert date that is thirty days after the date of this notice)."		
20	<u>2.</u>	The notice under section 47-30.2-26 must:		
21		a. Identify the holder and provide a name, address, telephone number, and		
22		electronic-mail address at which to contact the holder;		
23		b. Identify the nature and, except for property that does not have a fixed value, the		
24		value of the property that is the subject of the notice;		
25		c. State that the property will be turned over to the administrator;		
26		d. State that after the property is turned over to the administrator an apparent owner		
27		that seeks return of the property shall file a claim with the administrator;		
28		e. State that property that is not legal tender of the United States may be sold by		
29		the administrator in accordance with section 47-30.2-40; and		
30		<u>f.</u> <u>Provide instructions that the apparent owner must follow to prevent the holder</u>		
31		from reporting and paying or delivering the property to the administrator.		

1	<u>47-</u> ;	30.2-28. (503) Notice by administrator.		
2	<u>1.</u>	The administrator shall give notice to an apparent owner that property is presumed		
3		abandoned and appears to be owned by the apparent owner is held by the		
4		administrator under this chapter.		
5	<u>2.</u>	In providing notice under subsection 1, the administrator shall:		
6		a. Except as otherwise provided in subdivision b, send written notice by first-class		
7		United States mail to each apparent owner of property valued at twenty-five		
8		dollars or more held by the administrator, unless the administrator determines		
9		that a mailing by first-class United States mail would not be received by the		
10		apparent owner, and, in the case of a security held in an account for which the		
11		apparent owner had consented to receiving electronic mail from the holder, send		
12		notice by electronic mail if the electronic-mail address of the apparent owner is		
13		known to the administrator instead of by first-class United States mail; or		
14		b. Send the notice to the apparent owner's electronic-mail address if the		
15		administrator does not have a valid United States mail address for an apparent		
16		owner but has an electronic-mail address that the administrator does not know to		
17		be invalid.		
18	<u>3.</u>	In addition to the notice under subsection 2, the administrator shall:		
19		a. Publish in the biennial report required under section 54-06-04 and shall include:		
20		(1) The total value of property received by the administrator during the		
21		preceding biennium, taken from the reports under section 47-30.2-21; and		
22		(2) The total value of claims paid by the administrator during the biennium		
23		period;		
24		b. Maintain a website or database accessible by the public and electronically		
25		searchable which contains the names reported to the administrator of apparent		
26		owners for whom property that meets or exceeds the searchable value as set by		
27		the commissioner is being held by the administrator. Property that does not meet		
28		or exceed the searchable value must continue to be held by the administrator but		
29		may not appear in the searchable website or database.		

1	<u>4.</u>	The v	vebsite or database maintained under subdivision b of subsection 3 must include	
2		instructions for filing with the administrator a claim to property and a printable claim		
3		<u>form</u>	with instructions for the form's use.	
4	<u>5.</u>	In ad	dition to giving notice under subsection 2, publishing the information under	
5		<u>subdi</u>	ivision a of subsection 3, and maintaining the website or database under	
6		<u>subdi</u>	ivision b of subsection 3, the administrator may use other printed publication,	
7		teleco	ommunication, the internet, or other media to inform the public of the existence of	
8		uncla	imed property held by the administrator.	
9	<u>47-</u> ;	30.2-29	9. (504) Cooperation among state officers and agencies to locate apparent	
10	owner.			
11	Unless prohibited by law of this state other than this chapter, on request of the			
12	administrator, each officer, agency, board, commission, division, and department of this state,			
13	any body politic and corporate created by this state for a public purpose, and each political			
14	<u>subdivis</u>	ion of	this state shall make its books and records available to the administrator and	
15	<u>coopera</u>	ite with	the administrator to determine the current address of an apparent owner of	
16	property held by the administrator under this chapter.			
17	<u>47-30.2-30. (601) Definition of good faith.</u>			
18	In sections 47-30.2-30, 47-30.2-31, 47-30.2-32, 47-30.2-33, 47-30.2-34, 47-30.2-35,			
19	47-30.2-36, 47-30.2-37, and 47-30.2-38, payment or delivery of property is made in good faith if			
20	a holder:			
21	<u>1.</u>	Had a	a reasonable basis for believing, based on the facts then known, that the property	
22		<u>was r</u>	equired or permitted to be paid or delivered to the administrator under this	
23		<u>chap</u> t	ter; or	
24	<u>2.</u>	Made	e payment or delivery:	
25		<u>a.</u>	In response to a demand by the administrator or administrator's agent; or	
26		<u>b.</u>	Under a guidance or ruling issued by the administrator which the holder	
27			reasonably believed required or permitted the property to be paid or delivered.	
28	<u>47-</u>	30.2-31	. (602) Dormancy charge.	
29	<u>1.</u>	<u>A hol</u>	der may deduct a dormancy charge from property required to be paid or delivered	
30		<u>to the</u>	e administrator if:	

	•	-
1		a. An enforceable written contract between the holder and the apparent owner
2		authorizes imposition of the charge for the apparent owner's failure to claim the
3		property within a specified time; and
4		b. The holder regularly imposes the charge and regularly does not reverse or
5		otherwise cancel the charge.
6	<u>2.</u>	Charges authorized under this section may only be charged until the respective
7		property is deemed abandoned.
8	<u>47-</u> ;	30.2-32. (603) Payment or delivery of property to administrator.
9	<u>1.</u>	Except as otherwise provided in this section, on filing a report under section
10		47-30.2-21, the holder shall pay or deliver to the administrator the property described
11		in the report.
12	<u>2.</u>	If property in a report under section 47-30.2-21 is an automatically renewable deposit
13		and a penalty or forfeiture in the payment of interest would result from paying the
14		deposit to the administrator at the time of the report, the date for payment of the
15		property to the administrator is extended until a penalty or forfeiture no longer would
16		result from payment, if the holder informs the administrator of the extended date.
17	<u>3.</u>	If property reported to the administrator under section 47-30.2-21 is a security, the
18		administrator may:
19		a. Make an endorsement, instruction, or entitlement order on behalf of the apparent
20		owner to invoke the duty of the issuer, the transfer agent of the issuer, or the
21		securities intermediary to transfer the security; or
22		b. Dispose of the security under section 47-30.2-41.
23	<u>4.</u>	If the holder of property reported to the administrator under section 47-30.2-21 is the
24		issuer of a certificated security, the administrator may obtain a replacement certificate
25		in physical or book-entry form under section 41-08-38. An indemnity bond is not
26		required.
27	<u>5.</u>	The administrator shall establish procedures for the registration, issuance, method of
28		delivery, transfer, and maintenance of securities delivered to the administrator by a
29		holder.
30	<u>6.</u>	An issuer, holder, or transfer agent acting under this section under instructions of and
31		on behalf of the issuer or holder is not liable to the apparent owner for, and shall be

1		indemnified by the state against, a claim arising with respect to property after the	
2		property has been delivered in good faith to the administrator.	
3	<u>7.</u>	A holder is not required to deliver to the administrator a security identified by the	
4		holder as a non-freely transferable security. If the administrator or holder determines	
5		that a security is no longer a non-freely transferable security, the holder shall deliver	
6		the security on the next regular date prescribed for delivery of securities under this	
7		chapter. The holder shall make a determination annually whether a security identified	
8		in a report filed under section 47-30.2-21 as a non-freely transferable security is no	
9		longer a non-freely transferable security.	
10	47-30.2-33. (604) Effect of payment or delivery of property to administrator.		
11	<u>1.</u>	On payment or delivery of property to the administrator under this chapter, the	
12		administrator as agent for the state assumes custody and responsibility for	
13		safekeeping the property. A holder that pays or delivers property in full to the	
14		administrator in good faith and substantially complies with sections 47-30.2-26 and	
15		47-30.2-27 is relieved of liability to the extent of the value of the property paid or	
16		delivered for any claim arising after the payment or delivery with respect to payment or	
17		delivery of that property to the administrator.	
18	<u>2.</u>	To the extent of the value of property paid or delivered as measured on the date of	
19		delivery, this state shall defend and indemnify a holder against liability on a claim	
20		against the holder resulting from the payment or delivery of property to the	
21		administrator made in good faith and after the holder substantially complied with	
22		sections 47-30.2-26 and 47-30.2-27.	
23	<u>47-3</u>	0.2-34. (605) Recovery of property by holder from administrator.	
24	<u>1.</u>	A holder that under this chapter pays money to the administrator may file a claim for	
25		reimbursement from the administrator of the amount paid if the holder:	
26		a. Paid the money in error; or	
27		b. After paying the money to the administrator, paid money to a person the holder	
28		reasonably believed was entitled to the money.	
29	<u>2.</u>	A holder that under this chapter delivers property other than money to the	
30		administrator may file a claim for return of the property from the administrator if:	
31		a. The holder delivered the property in error; or	

1		<u>b.</u>	The apparent owner has claimed the property from the holder.		
2	<u>3.</u>	If a claim for return of property under subsection 2 is made, the holder shall include			
3		with the claim evidence sufficient to establish that:			
4		<u>a.</u>	The apparent owner has claimed the property from the holder and that the		
5			property was delivered to the apparent owner in full; or		
6		<u>b.</u>	The property was delivered by the holder to the administrator in error.		
7	<u>4.</u>	<u>The</u>	administrator may determine that an affidavit submitted by a holder is evidence		
8		<u>suff</u>	icient to establish that the holder is entitled to reimbursement or to recover		
9		prop	perty under this section.		
10	<u>5.</u>	5. <u>A holder is not required to pay a fee or other charge for reimbursement or return of</u>			
11	property under this section.				
12	<u>6.</u>	6. Not later than ninety days after a claim is filed under subsection 1 or 2, the			
13	administrator shall allow or deny the claim and give the claimant notice of the decision				
14	in a record.				
15	<u>47-3</u>	0.2-3	35. (606) Property removed from safe deposit box.		
16	Property removed from a safe deposit box and delivered under this chapter to the				
17	administrator under this chapter is subject to the holder's right to reimbursement for the cost of				
18	opening	the t	box and a lien or contract providing reimbursement to the holder for unpaid rent		
19	<u>charges</u>	for th	ne box. The administrator shall reimburse the holder from the proceeds remaining		
20	after dec	ductir	ng the expense incurred by the administrator in selling the property.		
21	<u>47-3</u>	0.2-3	36. (607) Crediting income or gain to owner's account.		
22	<u>lf pr</u>	opert	y in the form of a security is paid or delivered to the administrator under this		
23	chapter, the owner is entitled to receive any dividends or other increments realized or accruing				
24	on the security for as long as the security is held by the administrator, if the total amount of cash				
25	due the	owne	er exceeds five dollars.		
26	<u>47-3</u>	0.2-3	37. (608) Administrator's option as to custody.		
27	<u>1.</u>	<u>The</u>	administrator may decline to take custody of property reported under section		
28		<u>47-</u> ;	30.2-21 if the administrator determines that:		
29		<u>a.</u>	The property has a value less than the estimated expenses of notice and sale of		
30			the property; or		
31		<u>b.</u>	Taking custody of the property would be unlawful.		

1	<u>2.</u>	A holder may pay or deliver property to the administrator before the property is		
2		presumed abandoned under this chapter if the holder:		
3		a. Sends the apparent owner of the property notice required by section 47-30.2-26		
4		and provides the administrator evidence of the holder's compliance with this		
5		subsection;		
6		b. Includes with the payment or delivery a report regarding the property conforming		
7		to section 47-30.2-22; and		
8		c. First obtains the administrator's consent in a record to accept payment or		
9		delivery.		
10	<u>3.</u>	A holder's request for the administrator's consent under subdivision c of subsection 2		
11		must be in a record. If the administrator fails to respond to the request within thirty		
12		days after receipt of the request, the administrator is deemed to consent to the		
13		payment or delivery of the property and the payment or delivery is considered to have		
14		been made in good faith.		
15	<u>4.</u>	On payment or delivery of property under subsection 2, the property is presumed		
16		abandoned.		
17	<u>47-3</u>	30.2-38. (609) Disposition of property having no substantial value; immunity from		
18	<u>liability</u> .	<u>.</u>		
19	<u>1.</u>	If the administrator takes custody of property delivered under this chapter and later		
20		determines that the property has no substantial commercial value or that the cost of		
21		disposing of the property will exceed the value of the property, the administrator may		
22		return the property to the holder or destroy or otherwise dispose of the property.		
23	<u>2.</u>	An action or proceeding may not be commenced against the state, an agency of the		
24		state, the administrator, another officer, employee, or agent of the state, or a holder for		
25		or because of an act of the administrator under this section, except for intentional		
26		misconduct or malfeasance.		
27	<u>47-3</u>	30.2-39. (610) Periods of limitation and repose.		
28	<u>1.</u>	Expiration before, on, or after the effective date of this chapter, of a period of limitation		
29		on an owner's right to receive or recover property, whether specified by contract,		
30		statute, or court order, does not prevent the property from being presumed abandoned		

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1		or affect the duty of a holder under this chapter to file a report or pay or deliver
2		property to the administrator.
3	<u>2.</u>	The administrator may not commence an action or proceeding to enforce this chapter
4		with respect to the reporting, payment, or delivery of property more than five years
5		after the holder filed a nonfraudulent report under section 47-30.2-21 with the
6		administrator. The parties may agree in a record to extend the limitation in this
7		subsection.
8	<u>3.</u>	The administrator may not commence an action, proceeding, or examination with
9		respect to a duty of a holder under this chapter more than ten years after the duty
10		arose.
11	<u>47-</u> ;	30.2-40. (701) Public sale of property.
12	<u>1.</u>	Subject to section 47-30.2-41, not earlier than three years after receipt of property
13		presumed abandoned, the administrator may sell the property.
14	<u>2.</u>	Before selling property under subsection 1, the administrator shall give notice to the
15		public of:
16		a. The date of the sale; and
17		b. A reasonable description of the property.
18	<u>3.</u>	A sale under subsection 1 must be to the highest bidder:
19		a. At public sale at a location in this state which the administrator determines to be
20		the most favorable market for the property;
21		b. On the internet; or
22		c. On another forum the administrator determines is likely to yield the highest net
23		proceeds of sale.
24	<u>4.</u>	The administrator may decline the highest bid at a sale under this section and reoffer
25		the property for sale if the administrator determines the highest bid is insufficient.
26	<u>5.</u>	If a sale held under this section is to be conducted other than on the internet, the
27		administrator shall publish on the administrator's website a notice of the sale, at least
28		ten days before the date of sale.
29	<u>47-</u> ;	30.2-41. (702) Disposal of securities.
30	<u>1.</u>	The administrator may not sell or otherwise liquidate a security until three years after
31		the administrator receives the security.

1	<u>2.</u>	The administrator may not sell a security listed on an established stock exchange for
2		less than the price prevailing on the exchange at the time of sale. The administrator
3		may sell a security not listed on an established exchange by any commercially
4		reasonable method.
5	<u>47-3</u>	0.2-42. (704) Purchaser owns property after sale.
6	<u>A pı</u>	irchaser of property at a sale conducted by the administrator under this chapter takes
7	the prop	erty free of all claims of the owner, a previous holder, or a person claiming through the
8	owner o	r holder. The administrator shall execute documents necessary to complete the transfer
9	of owner	rship to the purchaser.
10	<u>47-3</u>	0.2-43. (705) Military medal or decoration.
11	<u>1.</u>	The administrator may not sell a medal or decoration awarded for military service in
12		the armed forces of the United States.
13	<u>2.</u>	The administrator, with the consent of the respective organization under subdivision a
14		or agency under subdivision b may deliver a medal or decoration described in
15		subsection 1 to be held in custody for the owner, to:
16		a. The state historical society; or
17		b. The agency that awarded the medal or decoration.
18	<u>3.</u>	On delivery under subsection 2, the administrator is not responsible for safekeeping
19		the medal or decoration.
20	<u>47-3</u>	0.2-44. (801) Deposit of funds by administrator.
21	<u>1.</u>	Except as otherwise provided in this section, the department shall deposit to the credit
22		of the common schools trust fund all funds received under this chapter, including
23		proceeds from the sale of property under sections 47-30.2-40, 47-30.2-41, 47-30.2-42,
24		and 47-30.2-43.
25	<u>2.</u>	The department shall maintain an account with an amount of funds the commissioner
26		reasonably estimates is sufficient to pay claims allowed under this chapter.
27	<u>47-3</u>	0.2-45. (802) Administrator to retain records of property.
28	The	administrator shall:
29	<u>1.</u>	Record and retain the name and last-known address of each person shown on a
30		report filed under section 47-30.2-21 to be the apparent owner of property delivered to
31		the administrator;

1	<u>2.</u>	Rec	cord and retain the name and last-known address of each insured or annuitant and
2		ben	eficiary shown on the report;
3	<u>3.</u>	<u>For</u>	each policy of insurance or annuity contract listed in the report of an insurance
4		<u>con</u>	npany, record and retain the policy or account number, the name of the company,
5		and	the amount due or paid; and
6	<u>4.</u>	<u>For</u>	each apparent owner listed in the report, record and retain the name of the holder
7		that	t filed the report and the amount due or paid.
8	<u>47-3</u>	0.2-4	46. Deposit of funds - Continuing appropriation.
9	<u>1.</u>	<u>Exc</u>	ept as otherwise provided by this section, all funds received under this chapter,
10		<u>incl</u>	uding the proceeds from the sale of abandoned property under section 47-30.2-40,
11		<u>mu</u> :	st be promptly deposited in the state treasury to the credit of the common schools
12		<u>trus</u>	<u>st fund.</u>
13	<u>2.</u>	<u>The</u>	ere is appropriated annually the amounts necessary to pay all expense deductions
14		und	ler this section, including:
15		<u>a.</u>	Any costs in connection with the sale of abandoned property;
16		<u>b.</u>	Costs of mailing, publication, and outreach efforts in connection with any
17			abandoned property:
18		<u>C.</u>	Reasonable service charges:
19		<u>d.</u>	Costs incurred in examining records of holders of property and in collecting the
20			property from those holders;
21		<u>e.</u>	Funds for the payment of claims;
22		<u>f.</u>	Funds for the payment of holder refunds; and
23		<u>g.</u>	Funds for attorney's fees and all other reasonable costs and expenses incurred in
24			an action or suit.
25	<u>47-3</u>	0.2-4	47. (804) Administrator holds property as custodian for owner.
26	Prop	perty	received by the administrator under this chapter is held in custody for the benefit of
27	the own	er an	d is not owned by the state.
28	<u>47-3</u>	0.2-4	48. (901) Claim of another state to recover property.
29	<u>1.</u>	<u>lf th</u>	e administrator knows that property held by the administrator under this chapter is
30		<u>sub</u>	ject to a superior claim of another state, the administrator shall:
31		<u>a.</u>	Report and pay or deliver the property to the other state; or

1		<u>b.</u>	Return the property to the holder so that the holder may pay or deliver the	
2			property to the other state.	
3	<u>2.</u>	<u>The</u>	administrator is not required to enter into an agreement to transfer property to the	<u>;</u>
4		othe	er state under subsection 1.	
5	<u>47-</u> ;	30.2-4	49. (902) When property subject to recovery by another state.	
6	<u>1.</u>	<u>Pro</u>	perty held under this chapter by the administrator is subject to the right of another	
7		<u>stat</u>	e to take custody of the property if:	
8		<u>a.</u>	The property was paid or delivered to the administrator because the records of	
9			the holder did not reflect a last-known address of the apparent owner in the other	<u> </u>
10			state and:	
11			(1) The other state establishes that the last-known address of the apparent	
12			owner or other person entitled to the property was in the other state; or	
13			(2) Under the law of the other state, the property has become subject to a claim	<u>n</u> _
14			by the other state of abandonment;	
15		<u>b.</u>	The records of the holder did not accurately identify the owner of the property, the	<u>e_</u>
16			last-known address of the owner was in another state, and, under the law of the	
17			other state, the property has become subject to a claim by the other state of	
18			abandonment;	
19		<u>c.</u>	The property was subject to the custody of the administrator of this state under	
20			section 47-30.2-19 and, under the law of the state of domicile of the holder, the	
21			property has become subject to a claim by the state of domicile of the holder of	
22			abandonment; or	
23		<u>d.</u>	The property:	
24			(1) Is a sum payable on a traveler's check, money order, or similar instrument	
25			that was purchased in the other state and delivered to the administrator	
26			under section 47-30.2-20; and	
27			(2) Under the law of the other state, has become subject to a claim by the other	<u>r_</u>
28			state of abandonment.	
29	<u>2.</u>	<u>A cl</u>	aim by another state to recover property under this section must be presented in a	L
30		<u>forn</u>	n prescribed by the administrator, unless the administrator waives presentation of	
31		<u>the</u>	form.	

1	<u>3.</u>	<u>The</u>	administrator shall decide a claim under this section not later than ninety days
2		<u>after</u>	t is presented. If the administrator determines that the other state is entitled
3		unde	er subsection 1 to custody of the property, the administrator shall allow the claim
4		and	pay or deliver the property to the other state.
5	<u>4.</u>	<u>The</u>	administrator may require another state, before recovering property under this
6		<u>sect</u>	ion, to agree to indemnify this state and its agents, officers, and employees
7		<u>agai</u>	nst any liability on a claim to the property.
8	<u>47-3</u>	<u> 80.2-5</u>	0. (903) Claim for property by person claiming to be owner.
9	<u>1.</u>	<u>A pe</u>	erson claiming to be the owner of property held under this chapter by the
10		<u>adm</u>	inistrator may file a claim for the property and the claim must be on a form
11		pres	cribed by the administrator. The claimant shall verify the claim as to the claim's
12		<u>com</u>	pleteness and accuracy.
13	<u>2.</u>	<u>The</u>	administrator may waive the requirement in subsection 1 and may pay or deliver
14		prop	erty directly to a person if:
15		<u>a.</u>	The person receiving the property or payment is shown to be the apparent owner
16			included on a report filed under section 47-30.2-21;
17		<u>b.</u>	The administrator reasonably believes the person is entitled to receive the
18			property or payment; and
19		<u>C.</u>	The property has a value as provided by rules adopted by the commissioner.
20	<u>47-3</u>	<u> 80.2-5</u>	1. (904) When administrator shall honor claim for property.
21	<u>1.</u>	<u>The</u>	administrator shall pay or deliver property to a claimant under subsection 1 of
22		<u>sect</u>	ion 47-30.2-50 if the administrator receives evidence sufficient to establish to the
23		<u>satis</u>	faction of the administrator that the claimant is the owner of the property.
24	<u>2.</u>	Not	later than ninety days after a claim is filed under subsection 1 of section
25		<u>47-3</u>	0.2-50, the administrator shall allow or deny the claim and give the claimant notice
26		<u>in a</u>	record of the decision.
27	<u>3.</u>	<u>lf the</u>	e claim is denied under subsection 2:
28		<u>a.</u>	The administrator shall inform the claimant of the reason for the denial and
29			specify what additional evidence, if any, is required for the claim to be allowed;
30		<u>b.</u>	The claimant may file an amended claim with the administrator or commence an
31			action under section 47-30.2-53; and

1		<u>C.</u>	The administrator may consider an amended claim filed under subdivision b as
2			an initial claim.
3	<u>47-3</u>	80.2-	52. (905) Allowance of claim for property.
4	<u>1.</u>	<u>Not</u>	later than sixty days after a claim is allowed under subsection 2 of section
5		<u>47-3</u>	30.2-51, the administrator shall pay or deliver to the owner the property or pay to
6		<u>the</u>	owner the net proceeds of a sale of the property, together with income or gain to
7		<u>whi</u>	ch the owner is entitled under section 47-30.2-36. On request of the owner, the
8		<u>adn</u>	ninistrator may sell or liquidate a security and pay the net proceeds to the owner,
9		<u>eve</u>	n if the security had been held by the administrator for fewer than three years or
10		<u>the</u>	administrator has not complied with the notice requirements under section
11		<u>47-3</u>	<u>30.2-41.</u>
12	<u>2.</u>	Pro	perty held under this chapter by the administrator is subject to a claim for the
13		pay	ment of an enforceable debt the owner owes in this state for:
14		<u>a.</u>	Child support arrearages, including child support collection costs and child
15			support arrearages that are combined with maintenance;
16		<u>b.</u>	A civil or criminal fine or penalty, court costs, a surcharge, or restitution imposed
17			by a final order of an administrative agency or a final court judgment; or
18		<u>C.</u>	State or local taxes, penalties, and interest that have been determined to be
19			delinquent or as to which notice has been recorded with the state or local taxing
20			authority.
21	<u>3.</u>	<u>The</u>	e state and local agencies may make periodic inquiries to the administrator to
22		dete	ermine whether an apparent owner included in the unclaimed property records of
23		<u>this</u>	state has enforceable debts described in subsection 2. The administrator first shall
24		<u>app</u>	ly the property or net proceeds of a sale of property held by the administrator to a
25		<u>deb</u>	t under subsection 2 of an apparent owner which appears in the records of the
26		<u>adn</u>	ninistrator and deliver the amount to the appropriate state or local agency.
27	<u>47-3</u>	80.2-	53. (906) Action by person whose claim is denied.
28	Not	later	than one hundred eighty days after filing a claim under subsection 1 of section
29	<u>47-30.2-</u>	<u>50, t</u>	he claimant may commence an action against the board in the Burleigh County
30	District (Court	to establish a claim that has been denied or deemed denied under section

1	court shall allow the board to recover court costs; reasonable costs, fees, disbursements, and						
2	expense	expenses incurred by the board in the proceeding; and reasonable attorney's fees.					
3	47-30.2-54. (1001) Verified report of property.						
4	<u>lf a</u>	person does not file a report under section 47-30.2-21 or the administrator believes that					
5	a persor	n may have filed an inaccurate, incomplete, or false report, the administrator may					
6	require t	he person to file a verified report in a form prescribed by the administrator. The verified					
7	report m	<u>iust:</u>					
8	<u>1.</u>	State whether the person is holding property reportable under this chapter;					
9	<u>2.</u>	Describe property not previously reported or about which the administrator has					
10		inquired:					
11	<u>3.</u>	Specifically identify property described under subsection 2 about which there is a					
12		dispute whether it is reportable under this chapter; and					
13	<u>4.</u>	State the amount or value of the property.					
14	<u>47-3</u>	80.2-55. (1002) Examination of records to determine compliance.					
15	The	administrator, at reasonable times and on reasonable notice, may:					
16	<u>1.</u>	Examine the records of a person, including examination of appropriate records in the					
17		possession of an agent of the person under examination, if the records are reasonably					
18		necessary to determine whether the person has complied with this chapter;					
19	<u>2.</u>	Issue an administrative subpoena requiring the person or agent of the person to make					
20		records available for examination; and					
21	<u>3.</u>	Bring an action seeking judicial enforcement of the subpoena.					
22	<u>47-3</u>	80.2-56. (1003) Rules for conducting examination.					
23	<u>1.</u>	The commissioner shall adopt rules governing an examination under section					
24		47-30.2-55, including rules for use of an estimation, extrapolation, and statistical					
25		sampling in conducting an examination. An examination commenced after adoption of					
26		rules under this subsection must comply with the rules.					
27	<u>2.</u>	If a person subject to examination under section 47-30.2-55 has filed the reports					
28		required under sections 47-30.2-21 and 47-30.2-54 and has retained the records					
29		required by section 47-30.2-24, the following apply:					
30		a. The examination must include a review of the person's records.					
31		b. The examination may be based on an estimate if no records are available.					

1	<u>C.</u>	The person conducting the examination shall consider the evidence presented in
2		good faith by the person in preparing the findings of the examination under
3		section 47-30.2-60.

4 <u>47-30.2-57. (1004) Records obtained in examination.</u>

- 5 <u>1.</u> <u>Records obtained from a private entity for purposes of an examination under this</u>
- 6 <u>chapter and records, including work papers, compiled by the administrator or the</u>
- 7 administrator's agent in the course of conducting an examination under section
- 8 <u>47-30.2-55 are subject to the security provisions of sections 47-30.2-71, 47-30.2-72,</u>
- 9 and 47-30.2-73 and are confidential records. However, the administrator or
- 10 <u>administrator's agent may furnish information to the attorney general, other state</u>
- 11 agencies, a prosecuting official requiring the information for use in the prosecuting
- 12 <u>official's official duties, or for legislative investigations under chapter 54-03.2.</u>
- 13 <u>Confidential information furnished by the administrator or the administrator's agent to a</u>
- 14 third party under this section remains confidential while in the possession of the third
- 15 party. Confidential information received by the administrator or administrator's agent
- 16 from a third party under this section remains confidential while in the possession of the
- 17 administrator or administrator's agent. The administrator or the administrator's agent's
- 18 <u>final and completed examination reports are records open to the public. The final</u>
- 19 examination report may not contain confidential documentation or working papers
- 20 <u>unless one of the exceptions in this section applies.</u>
- 21 <u>2.</u> <u>The records subject to subsection 1:</u>
- 22 a. <u>May be used by the board in an action to collect property or otherwise enforce</u>
 23 <u>this chapter;</u>
- 24b.May be used in a joint examination conducted with or pursuant to agreements25with other states, the federal government, or other governmental entities;
- 26c.May be disclosed at the discretion of the commissioner, on request, to the person27that administers the unclaimed property law of another state for that state's use in28circumstances equivalent to circumstances described in sections 47-30.2-54,
- 29 <u>47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60,</u>
- 30 <u>47-30.2-61, and 47-30.2-62. A state to which information is disclosed shall</u>

1			maintain the confidentiality and security of information obtained in a manner
2			substantially equivalent to sections 47-30.2-71, 47-30.2-72, and 47-30.2-73;
3		<u>d.</u>	May be required to be produced under section 44-04-18.11; and
4		<u>e.</u>	May be required to be produced by the administrator on request of the person
5			subject to the examination in an administrative or judicial proceeding relating to
6			the property.
7	<u>3.</u>	<u>The</u>	e administrator or any state employee conducting an examination on the
8		<u>adr</u>	ninistrator's behalf are exempt from chapter 6-08.1.
9	<u>47-</u>	30.2-	58. (1005) Evidence of unpaid debt or undischarged obligation.
10	<u>1.</u>	<u>A re</u>	ecord of a putative holder showing an unpaid debt or undischarged obligation is
11		prin	na facie evidence of the debt or obligation.
12	<u>2.</u>	<u>A p</u>	utative holder may establish by a preponderance of the evidence that there is no
13		<u>unp</u>	paid debt or undischarged obligation for a debt or obligation described in
14		<u>sub</u>	section 1 or that the debt or obligation was not, or no longer is, a fixed and certain
15		<u>obli</u>	igation of the putative holder.
16	<u>3.</u>	<u>A p</u>	utative holder may overcome prima facie evidence under subsection 1 by
17		<u>esta</u>	ablishing by a preponderance of the evidence that a check, draft, or similar
18		<u>inst</u>	rument was:
19		<u>a.</u>	Issued as an unaccepted offer in settlement of an unliquidated amount;
20		<u>b.</u>	Issued but later was replaced with another instrument because the earlier
21			instrument was lost or contained an error that was corrected;
22		<u>C.</u>	Issued to a party affiliated with the issuer;
23		<u>d.</u>	Paid, satisfied, or discharged;
24		<u>e.</u>	Issued in error;
25		<u>f.</u>	Issued without consideration;
26		<u>g.</u>	Issued but there was a failure of consideration;
27		<u>h.</u>	Voided not later than ninety days after issuance for a valid business reason set
28			forth in a contemporaneous record; or
29		<u>i.</u>	Issued but not delivered to the third-party payee for a sufficient reason recorded
30			within a reasonable time after issuance.

- 1 <u>4.</u> In asserting a defense under this section, a putative holder may present evidence of a
- 2 <u>course of dealing between the putative holder and the apparent owner or of custom</u>
- 3 <u>and practice.</u>

4 <u>47-30.2-59. (1006) Failure of person examined to retain records.</u>

- 5 If a person subject to examination under section 47-30.2-55 fails to retain the records
- 6 required by section 47-30.2-24, the administrator may determine the value of property due
- 7 <u>using a reasonable method of estimation based on all information available to the administrator</u>,
- 8 including extrapolation and use of statistical sampling when appropriate and necessary,
- 9 consistent with examination procedures and standards adopted under subsection 1 of section
- 10 <u>47-30.2-56 and in accord with subsection 2 of section 47-30.2-56.</u>

11 47-30.2-60. (1007) Report to person whose records were examined.

- 12 At the conclusion of an examination under section 47-30.2-55, the administrator or the
- 13 administrator's agent shall provide to the person whose records were examined a complete and
- 14 <u>unredacted examination report that specifies:</u>
- 15 <u>1.</u> <u>The work performed;</u>
- 16 <u>2.</u> <u>The property types reviewed;</u>
- 17 <u>3.</u> The methodology of any estimation technique, extrapolation, or statistical sampling
 18 <u>used in conducting the examination;</u>
- 19 <u>4.</u> Each calculation showing the value of property determined to be due; and
- 20 <u>5.</u> <u>The findings of the person conducting the examination.</u>

21 47-30.2-61. (1008) Informal conference during examination.

- 22 <u>1. If a person subject to examination under section 47-30.2-55 believes the person</u>
- 23 <u>conducting the examination has made an unreasonable or unauthorized request or is</u>
- 24 not proceeding expeditiously to complete the examination, the person subject to the
- 25 <u>examination may ask the administrator to intervene and take appropriate remedial</u>
- 26 action, including countermanding the request of the person conducting the
- 27 examination, imposing a time limit for completion of the examination, or reassigning
- 28 <u>the examination to another person.</u>
- 29 <u>2.</u> If a person subject to the examination requests a conference with the administrator to
- 30 present matters that are the basis of a request under subsection 1, the administrator
- 31 shall hold the conference not later than thirty days after receiving the request. The

1		<u>adm</u>	inistrator may hold the conference in person, by telephone, or by electronic
2		mea	ans.
3	<u>3.</u>	<u>lf a</u>	conference is held under subsection 2, not later than thirty days after the
4		<u>con</u>	ference ends, the administrator shall provide a report in a record of the conference
5		<u>to th</u>	ne person that requested the conference.
6	<u>47-3</u>	80.2-6	32. (1012) Determination of liability for unreported reportable property.
7	<u>lf th</u>	e adn	ninistrator determines from an examination conducted under section 47-30.2-55
8	<u>that a pι</u>	utative	e holder failed or refused to pay or deliver to the administrator property which is
9	reportab	le un	der this chapter, the administrator shall issue a determination of the putative
10	holder's	liabili	ity to pay or deliver and give notice of the determination in a record to the putative
11	holder.		
12	<u>47-3</u>	80.2-6	63. (1202) Interstate and international agreement - Cooperation.
13	<u>1.</u>	<u>Sub</u>	ject to subsection 2, the administrator may:
14		<u>a.</u>	Exchange information with another state or foreign country relating to property
15			presumed abandoned or relating to the possible existence of property presumed
16			abandoned; and
17		<u>b.</u>	Authorize in a record another state or foreign country or a person acting on
18			behalf of the other state or country to examine its records of a putative holder as
19			provided in sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58,
20			47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62.
21	<u>2.</u>	<u>An e</u>	exchange or examination under subsection 1 may be done only if the state or
22		<u>fore</u>	ign country has confidentiality and security requirements substantially equivalent
23		<u>to th</u>	nose in sections 47-30.2-71, 47-30.2-72, and 47-30.2-73 or agrees in a record to
24		<u>be b</u>	oound by this state's confidentiality and security requirements.
25	<u>47-3</u>	80.2-6	64. (1203) Action involving another state or foreign country.
26	<u>1.</u>	<u>The</u>	administrator may join another state or foreign country to examine and seek
27		<u>enfc</u>	prcement of this chapter against a putative holder.
28	<u>2.</u>	<u>The</u>	board may pursue an action on behalf of this state to recover property subject to
29		<u>this</u>	chapter but delivered to the custody of another state if the administrator believes
30		the	property is subject to the custody of the administrator.

1	<u>3.</u>	The board may retain an attorney in this state, another state, or a foreign country to
2		commence an action to recover property on behalf of the board and may agree to pay
3		attorney's fees based in whole or in part on a fixed fee, hourly fee, or a percentage of
4		the amount or value of property recovered in the action.
5	<u>4.</u>	Expenses incurred by this state in an action under this section must be paid in
6		accordance with section 47-30.2-46.
7	<u>47-</u> ;	30.2-65. (1204) Interest and penalty for failure to act in timely manner.
8	<u>1.</u>	An administrator may collect interest from a holder that fails to report, pay, or deliver
9		property within the time prescribed by this chapter. Interest must be calculated at an
10		annual rate of one percent of the sum for each thirty day period of delinquency or
11		fraction of delinquency period on the property or value of the property from the date
12		the property should have been reported, paid, or delivered to the administrator until
13		the date reported, paid, or delivered.
14	<u>2.</u>	Except as otherwise provided in section 47-30.2-66 or 47-30.2-67, the administrator
15		may require a holder that fails to report, pay, or deliver property within the time
16		prescribed by this chapter to pay to the administrator, in addition to interest included
17		under subsection 1, a civil penalty of two hundred dollars for each day the duty is not
18		performed, up to a cumulative maximum amount of five thousand dollars.
19	<u>47-:</u>	30.2-66. (1205) Other civil penalties.
20	<u>1.</u>	If a holder enters into a contract or other arrangement for the purpose of evading an
21		obligation under this chapter or otherwise willfully fails to perform a duty imposed on
22		the holder under this chapter, the commissioner may require the holder to pay the
23		administrator, in addition to interest as provided in subsection 1 of section 47-30.2-65,
24		a civil penalty of one thousand dollars for each day the obligation is evaded or the duty
25		is not performed, up to a cumulative maximum amount of twenty-five thousand dollars,
26		plus twenty-five percent of the amount or value of property that should have been but
27		was not reported, paid, or delivered as a result of the evasion or failure to perform.
28	<u>2.</u>	If a holder makes a fraudulent report under this chapter, the commissioner may require
29		the holder to pay to the administrator, in addition to interest under subsection 1 of
30		section 47-30.2-65, a civil penalty of one thousand dollars for each day from the date
31		the report was made until corrected, up to a cumulative maximum of twenty-five

1		<u>thou</u>	usand dollars, plus twenty-five percent of the amount or value of any property that			
2		<u>sho</u>	should have been reported but was not included in the report or was underreported.			
3	<u>47-</u>	30.2-6	30.2-67. Waiver of interest and penalty.			
4	<u>1.</u>	<u>A ho</u>	older shall pay the penalty and interest or request a waiver or reduction within thirty			
5		day	s from the date of the receipt of a notice of a penalty and interest assessment.			
6	<u>2.</u>	<u>A re</u>	quest for a waiver or reduction of the penalty or interest must be in writing and			
7		<u>prov</u>	vide the grounds for the request.			
8	<u>3.</u>	<u>The</u>	following factors may be considered if deciding to waive or reduce the penalty or			
9		inte	rest:			
10		<u>a.</u>	The reason for the holder's noncompliance;			
11		<u>b.</u>	The degree of control the holder had over the lack of compliance;			
12		<u>C.</u>	Any unusual or mitigating circumstances involved; and			
13		<u>d.</u>	Any other relevant factors.			
14	<u>4.</u>	<u>The</u>	commissioner may waive up to twenty-five thousand dollars of the penalty or			
15		<u>redı</u>	uce interest. A request for a waiver or reduction of penalty in excess of twenty-five			
16		<u>thou</u>	usand dollars must be presented to the board, with the commissioner's			
17		reco	ommendation, for review and decision.			
18	<u>5.</u>	<u>A wa</u>	aiver or reduction of penalty and interest does not constitute a waiver of the right to			
19		see	k the full amount of both penalty and interest if the initial holder obligation is not			
20		paic	I. If a claim for penalties and interest is settled and payment received, the amount			
21		<u>of p</u>	enalties and interest not collected is waived.			
22	<u>47-</u>	30.2-6	68. (1301) When agreement to locate property enforceable.			
23	<u>An a</u>	agree	ment by an apparent owner and another person, the primary purpose of which is			
24	to locate	e, deli	ver, recover, or assist in the location, delivery, or recovery of property held by the			
25	<u>adminis</u>	trator.	, is enforceable only if:			
26	<u>1.</u>	<u>The</u>	person who entered into the agreement with the apparent owner is in compliance			
27		<u>with</u>	chapter 43-30; and			
28	<u>2.</u>	<u>The</u>	agreement:			
29		<u>a.</u>	Is in writing;			
30		<u>b.</u>	Clearly states the nature of the property and the services to be provided;			

1		<u>C.</u>	States the amount of the fee or other compensation to be paid, which may not be						
2			in excess of ten percent of the amount recovered;						
3		<u>d.</u>	Discloses that, absent the agreement, the property would be delivered to a state-						
4			administered unclaimed property program for safekeeping on the owner's behalf						
5			and upon delivery, the owner may be able to recover the property from the state-						
6			administered program without charge; and						
7		<u>e.</u>	Is signed by or on behalf of the apparent owner.						
8	<u>47-3</u>	30.2-69. (1302) When agreement to locate property void.							
9	<u>1.</u>	<u>An a</u>	An agreement to locate property is void if:						
10		<u>a.</u>	Subject to subdivision b, the agreement is entered into during the period						
11			beginning on the date the property was presumed abandoned and ending twenty-						
12			four months after the payment or delivery; or						
13		<u>b.</u>	A provision in an agreement described in subdivision a applies to property that						
14			has not yet been abandoned and reported to the administrator, including mineral						
15			proceeds.						
16	<u>2.</u>	<u>This</u>	s section does not apply to an apparent owner's agreement with an attorney to						
17		purs	sue a claim for recovery of specifically identified property held by the administrator						
18		<u>or to</u>	o contest the administrator's denial of a claim for recovery of the property.						
19	47-30.2-70. (1303) Right of agent of apparent owner to recover property held by								
20	<u>adminis</u>	strato	<u>)r.</u>						
21	<u>1.</u>	<u>An a</u>	apparent owner that contracts with another person to locate, deliver, recover, or						
22		<u>assi</u>	ist in the location, delivery, or recovery of property of the apparent owner which is						
23		<u>helc</u>	by the administrator may designate the person as the agent of the apparent						
24		<u>own</u>	er. The designation must be in a record signed by the apparent owner.						
25	<u>2.</u>	<u>The</u>	administrator shall give the agent of the apparent owner all information						
26		<u>con</u>	cerning the property which the apparent owner is entitled to receive, including						
27		<u>info</u>	rmation that otherwise is confidential information.						
28	47-30.2-71. (1405) No confidential information in notice.								
29	Except as otherwise provided in sections 47-30.2-26 and 47-30.2-27, a holder is not								
30	required under this chapter to include confidential information in a notice the holder is required								
24									

1	<u>47-</u>	30.2-72. (1406) Security of information.					
2	<u>1.</u>	If a holder is required to include confidential information in a report to the					
3		administrator, the information must be provided by a secure means.					
4	<u>2.</u>	If confidential information in a record is provided to and maintained by the					
5		administrator or administrator's agent as required by this chapter, the administrator or					
6		administrator's agent shall:					
7		a. Implement administrative, technical, and physical safeguards to protect the					
8		security, confidentiality, and integrity of the information required by state and					
9		federal privacy and data security law whether or not the administrator or the					
10		administrator's agent is subject to the law;					
11		b. Protect against reasonably anticipated threats or hazards to the security,					
12		confidentiality, or integrity of the information; and					
13		c. Protect against unauthorized access to or use of the information which could					
14		result in substantial harm or inconvenience to a holder or the holder's customers,					
15		including insureds, annuitants, and policy or contract owners and their					
16		beneficiaries.					
17	<u>47-</u> ;	30.2-73. (1407) Security breach.					
18	<u>1.</u>	Except to the extent prohibited by law other than this chapter, the administrator or					
19		administrator's agent shall notify a holder as soon as practicable of:					
20		a. A suspected loss, misuse or unauthorized access, disclosure, modification, or					
21		destruction of confidential information obtained from the holder in the possession					
22		of the administrator or an administrator's agent; and					
23		b. Any interference with operations in any system hosting or housing confidential					
24		information which:					
25		(1) Compromises the security, confidentiality, or integrity of the information; or					
26		(2) Creates a substantial risk of identity fraud or theft.					
27	<u>2.</u>	Except as necessary to inform an insurer, attorney, investigator, or others as required					
28		by law, the administrator and an administrator's agent may not disclose, without the					
29		express consent in a record of the holder, an event described in subsection 1 to a					
30		person whose confidential information was supplied by the holder.					

1	<u>3.</u>	If an event described in subsection 1 occurs, the administrator and the administrator's							
2		agent shall:							
3		<u>a.</u>	Take	e action necessary for the holder to understand and minimize the effect of the					
4			<u>ever</u>	nt and determine its scope; and					
5		<u>b.</u>	<u>Coo</u>	perate with the holder with respect to:					
6			<u>(1)</u>	Any notification required by law concerning a data or other security breach;					
7				and					
8			<u>(2)</u>	A regulatory inquiry, litigation, or similar action.					
9	<u>47-3</u>	-30.2-74. (1503) Transitional provision - Effect of new provisions - Clarification of							
10	applicat	<u>tion.</u>							
11	<u>1.</u>	<u>This</u>	<u>cha</u> p	pter does not relieve a holder of a duty that arose before July 1, 2021, to					
12		repo	ort, pa	ay, or deliver property. A holder that fails to comply with the law in effect					
13		<u>befo</u>	ore Ju	ly 1, 2021, is subject to the applicable enforcement and penalty provisions					
14		<u>that</u>	exist	ed before July 1, 2021, and the applicable provisions are continued in effect					
15		<u>for t</u>	<u>he pu</u>	rpose of this subsection.					
16	<u>2.</u>	<u>The</u>	initia	I report filed under this chapter for property that was not required to be					
17		repo	orted	before July 1, 2021, but which is subject to this chapter must include all items					
18		<u>of p</u>	roper	ty that would have been presumed abandoned during the ten-year period					
19		prec	eding	g July 1, 2021, as if this chapter had been in effect during that period.					
20	<u>47-3</u>	<u>30.2-7</u>	′ <u>5. Er</u>	nforcement - Appeals.					
21	<u>The</u>	admi	nistra	tor may bring an action in a court of competent jurisdiction to enforce this					
22	<u>chapter.</u>	A per	rson i	n this state aggrieved by an audit that in any form requests the payment of					
23	money or a civil penalty is entitled to a hearing before the board. A demand for a hearing must								
24	be made within thirty days of the request by the administrator. The request by the administrator								
25	must contain notice of the right to a hearing. The board's decision is the final order of the								
26	agency and is appealable to the district court. Any amount of money requested by the								
27	administrator which may increase over time is tolled at the time of filing an appeal, retroactive to								
28	the date	of the	e req	uest.					
29	SEC		18.	AMENDMENT. Section 54-27-15.1 of the North Dakota Century Code is					

30 amended and reenacted as follows:

54-27-15.1. State treasurer's checks, warrants, and warrant-checks - Cancellation Deposit to common schools trust fund - Subsequent payment - Continuing appropriation.

4 The state treasurer, at the beginning of each fiscal year, shall prepare a list of the checks, 5 warrants, and warrant-checks drawn on various depositories which are more than threetwo. 6 years old which remain outstanding and unpaid and shall show the number, date, payee, (with 7 address of payee if available), amount, and fund, (if available), against which said instrument 8 was drawn. A copy of such list must then be used as an authority for writing a receipt of the total 9 of such check or checks and shall credit such amount to the common schools trust fund 10 pursuant to chapter 47-30.147-30.2. One copy of such receipt with list of instruments affected 11 must be provided to the administrator of unclaimed properties. In the event such check, warrant, 12 or warrant-check is at any subsequent time presented for payment, or a claim is made by any 13 person for the amount of any such instrument, further proceedings must be conducted in 14 accordance with chapter 47-30.147-30.2. These expenditures are hereby subject to a standing 15 and continuing appropriation. 16 SECTION 19. AMENDMENT. Subsection 6 of section 57-38-57 of the North Dakota 17 Century Code is amended and reenacted as follows: 18 6. Upon request, the tax commissioner may furnish to the unclaimed property division of 19 the board of university and school lands, a taxpayer's name, address, and federal 20 identification number for identifying the taxpayer as the owner of an unclaimed 21 voucher authorized by the tax commissioner or to locate the apparent owner of 22 unclaimed property as provided under chapter 47-30.147-30.2. 23 SECTION 20. AMENDMENT. Subsection 8 of section 57-39.2-23 of the North Dakota 24 Century Code is amended and reenacted as follows: 25 8. Upon request, the commissioner may furnish to the unclaimed property division of the 26 board of university and school lands, a taxpayer's name, address, and federal 27 identification number for identifying the owner of an unclaimed voucher authorized by 28 the commissioner or to locate the apparent owner of unclaimed property as provided 29 under chapter 47-30.147-30.2. 30 SECTION 21. AMENDMENT. Section 60-01-34 of the North Dakota Century Code is

31 amended and reenacted as follows:

1 **60-01-34.** Finder - Depositary for hire - Assumption of ownership by finder.

2 One who finds a thing lost is not bound to take charge of it but, if the person does so, the

3 person is thenceforward a depositary for the owner with the rights and obligations of a

4 depositary for hire. Notwithstanding chapters 36-22 and 47-30.147-30.2 or any other provision

5 of law, an individual who finds lost personal property or money and places the property or

- 6 money in the custody of a law enforcement agency is entitled to assume ownership of the
- 7 property or money if the property or money is not claimed by its owner within two years after the
- 8 property or money was placed in the custody of the law enforcement agency.
- 9 **SECTION 22. REPEAL.** Chapter 47-30.1 of the North Dakota Century Code is repealed.