

SUBSTITUTE FOR
SENATE BILL NO. 1013

A bill to amend 1995 PA 29, entitled
"Uniform unclaimed property act,"
by amending section 19 (MCL 567.239), as amended by 1997 PA 195,
and by adding section 8b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8b. (1) Property distributable in the course of the
2 demutualization of an insurance company is presumed abandoned as
3 follows:

4 (a) Any funds, 2 years after the date of the
5 demutualization, if the funds remain unclaimed and the owner has
6 not otherwise communicated with the holder or its agent regarding
7 the property as evidenced by a memorandum or other record on file
8 with the holder or its agent.

9 (b) Any stock, 2 years after the date of the
10 demutualization, if instruments or statements reflecting the

1 distribution are either mailed to the owner and returned by the
2 post office as undeliverable or not mailed to the owner because
3 of an address on the books and records of the holder that is
4 known to be incorrect and the owner has not otherwise
5 communicated with the holder or its agent regarding the property
6 as evidenced by a memorandum or other record on file with the
7 holder or its agent.

8 (2) A holder of unclaimed property described in subsection
9 (1) shall file an initial 1-time report of unclaimed
10 demutualization proceeds not later than September 1, 2004 for the
11 1-year period ending December 31, 2003.

12 (3) As used in this section, "demutualization" means the
13 payment of consideration for the relinquishment of a mutual
14 membership interest in a mutual insurance company, regardless if
15 undertaken in conjunction with a plan of demutualization,
16 liquidation, merger, or other form of reorganization.

17 Sec. 19. (1) The administrator shall cause a notice to be
18 published not later than November 1 of the year immediately
19 following the report required by section 18 in a newspaper of
20 general circulation in the county of this state in which is
21 located the last known address of any person named in the
22 notice. If no address is listed or the address is outside this
23 state, the notice ~~must~~ **shall** be published in the county in
24 which the holder of the property has its principal place of
25 business within this state or another county as determined by the
26 administrator.

27 (2) The published notice shall be entitled "notice of names

1 of persons appearing to be owners of abandoned property" and
2 contain all of the following:

3 (a) The names, in alphabetical order, of persons listed in
4 the report and entitled to notice within the county as specified
5 in subsection (1).

6 (b) A statement that information concerning the property may
7 be obtained by any person possessing an interest in the property
8 by addressing an inquiry to the administrator.

9 (c) A statement informing an owner of property held by the
10 administrator on how to file a claim with the administrator to
11 receive his or her property.

12 (3) The administrator is not required to publish in the
13 notice any items of less than \$50.00 unless the administrator
14 considers their publication to be in the public interest.

15 (4) This section is not applicable to sums payable on
16 travelers checks, money orders, and other written instruments
17 presumed abandoned under section 5.