

**Title 17**  
**Abandoned Property Act and Regulations of Maryland**

**§ 17-101.**

(a) In this title the following words have the meanings indicated.

(b) (1) "Abandoned property" means personal property that is considered abandoned under this title.

(2) "Abandoned property" includes property in the custody of the federal government that is classified as "unclaimed property" under federal law.

(c) "Administrator" means the State Comptroller.

(d) "Banking organization" means any bank, trust company, savings bank, land bank, and any other similar organization engaged in business in the State.

(e) "Business association" means any corporation, joint stock company, business trust, partnership, or any association for business purposes of two or more individuals.

(f) "County" includes Baltimore City.

(g) "Federal government" includes any of its agencies or instrumentalities.

(h) "Financial organization" means any savings and loan association or credit union engaged in business in the State.

(i) "Holder" means any person who is:

(1) In possession of property subject to this title belonging to another;

(2) A trustee, in the case of a trust; or

(3) Indebted to another on an obligation subject to this title.

(j) "Insurance corporation" means any association or corporation transacting in the State the business of insurance on the lives of persons or insurance pertaining to life insurance, including endowments and annuities, disability, accident and health insurance, and property, casualty, and surety insurance, as these terms are defined in the Insurance Article.

(k) "Owner" means:

(1) In the case of a deposit, a depositor or a person entitled to receive the funds as reflected on the records of the bank or financial organization;

(2) In the case of a trust, a beneficiary;

(3) In the case of other chooses in action, a creditor, claimant, or payee;

(4) In the case of abandoned property in federal custody, the person who is defined as the owner by any applicable federal law; or

(5) Any person who has a legal or equitable interest in property subject to this title, or the legal representative of that person.

(l) "Person" includes the State, any county, municipal corporation, or other political subdivision of the State, or any of their units, an individual, business association, corporation, business trust, estate, trust, partnership, association, two or more persons having a joint or common interest, or any other legal or commercial entity.

(m) "Personal property" does not include:

(1) A gift certificate;

(2) Credits in connection with the sale of consumer goods to a wholesaler or retailer in the ordinary course of business;

(3) Outstanding checks or credits issued to vendors or commercial customers in the ordinary course of business, other than property described in § 17-301(a) of this title held by a banking organization or financial organization;

(4) Credit balances in vendor or commercial customer accounts that occur in the ordinary course of business, other than property described in § 17-301(a) of this title held by a banking organization or financial organization; or

(5) Purchase price rebates issued to customers in the ordinary course of business.

(n) "Utility" means any person who owns or operates in the State, for public use, any plant, equipment, property, franchise, or license for the transmission of communications, for the production, storage, transmission, sale, delivery, or furnishing of electricity, water, steam, or gas, or for the transportation of persons or property.

(o) "Service charge" means any type of deduction or charge made by a holder on property presumed abandoned under this title.

**§ 17-102.**

(a) The administrator shall create a division of the office, to be known as the abandoned property office, for the purpose of administering the provisions of this title.

(b) An appropriation shall be made annually for the maintenance of the office and to provide sufficient staff to adequately enforce the provisions of this title.

(c) Other divisions of the office of the administrator, as well as every State officer and employee generally, shall assist in the enforcement of this title in connection with the performance of their normal duties.

**17-103.**

(a) The administrator may adopt the necessary rules and regulations to carry out the provisions of this title.

(b) The administrator may continue to regulate the imposition of service charges on property during the period of time giving rise to the presumption of abandonment by adopting rules and regulations relating to service charges.

**§ 17-104.**

This title does not apply to any property that has been presumed abandoned or escheated under the laws of another state before June 1, 1966.

**§ 17-105.**

(a) A requirement in this title that a document be under oath means that the document shall be supported by a signed statement made under the penalties of perjury that the contents of the document are true to the best of the knowledge, information, and belief of the individual making the statement.

(b) The oath or affirmation shall be made:

(1) Before an individual authorized to administer oaths, who shall certify in writing to have administered the oath or taken the affirmation; or

(2) By a signed statement that:

(i) Is in the document or attached to and made part of the document; and

(ii) Is expressly made under the penalties for perjury.

(c) If the procedures provided in subsection (b)(2) of this section are used, the affidavit subjects the individual making it to the penalties for perjury to the same extent as an oath or affirmation made before an individual authorized to administer oaths.

(d) A document made under oath shall be signed:

(1) For a corporation, by an officer of the corporation authorized to do so;

(2) For a sole proprietorship, by its owner; or

(3) For a partnership, by a partner authorized to do so.

**§ 17-201.**

The Administrator shall:

(1) Attempt to discover abandoned property in federal custody that is unclaimed by an owner who is presumed to have an address in this State; and

(2) Institute proceedings for a judicial determination of this State's rights to receive custody of any abandoned property in federal custody.

**§ 17-202.**

(a) The Administrator shall endeavor to enter into an agreement with the federal government concerning abandoned property in federal custody.

(b) The agreement shall provide:

(1) Unless federal law provides otherwise, that tangible abandoned property in federal custody that was initially acquired in this State shall be delivered to the Administrator;

(2) That if the last known address of any owner of intangible abandoned property in federal custody is in this State:

(i) The situs of the abandoned property is in this State, and the abandoned property shall be delivered to the Administrator; and

(ii) That the address of any other owner of the abandoned property in federal custody is determined by federal law;

(3) For payment of the State's proportionate share of costs incurred by the federal government in:

(i) Investigating records of abandoned property;

(ii) Reporting information about abandoned property to the Administrator;  
and

(iii) Delivering the abandoned property to the Administrator;

(4) The manner and times of payment, including a provision that payments may be made at stated times over a period of years;

(5) That this State indemnifies the federal government against any claim made as a result of the delivery of abandoned property to this State under the agreement; and

(6) That the Attorney General of this State shall intervene in any action or proceeding brought against the federal government as a result of action taken in accordance with the agreement.

**§ 17-203.**

As to any claim made because of action taken in accordance with an agreement made under this subtitle:

(1) This State consents to suit by any claimant against the federal government;  
and

(2) Any defense of the federal government is available to this State.

**§ 17-204.**

(a) The Governor shall certify to the federal government the provisions of an agreement made under this subtitle.

(b) The certification shall be made on the thirtieth of June next following the effective date of the agreement as provided by federal law.

**§ 17-205.**

(a) When the federal government reports abandoned property to the Administrator under the agreement, the Administrator shall forward a copy of the report to the clerk of the circuit court for each county in the State.

(b) Each clerk of the circuit court shall post the report of abandoned property in federal custody at the court house for the county for 60 days.

**§ 17-206.**

(a) Any person who asserts an interest in abandoned property in federal custody:

(1) May elect to claim against the federal government; or

(2) Within 90 days of the posting of the report of abandoned property in federal custody, shall notify the Administrator of the asserted interest and intent to claim.

(b) If the Administrator receives notice under this section, the abandoned property in question shall be omitted from any claim by this State until a final judicial determination is made of the claim.

**§ 17-207.**

If a judicial determination is made against a claimant of abandoned property in federal custody, the claimant may not assert a claim against this State.

**§ 17-208.**

The expiration of any limitations period set by statute or court order does not affect the right of this State to acquire possession of abandoned property in federal custody.

**§ 17-209.**

This subtitle shall be construed to affect its general purpose to make uniform the laws of those states which enact it.

§ 17-301.

- (a) In general- Property valued at \$100 or more and held by a banking or financial organization or business association is presumed abandoned if the depositor has been issued a notice by first class mail to the depositors last known address of the fact that the property will be considered abandoned and there is no response within 30 days to the notification.

(1) Any demand, savings, or matured time deposit account made with a banking organization, together with any interest or dividend on it, excluding any charges that lawfully may be withheld, unless, within 3 years, the owner has:

- (i) Increased or decreased the amount of the deposit;
- (ii) Presented evidence of the deposit for the crediting of interest;
- (iii) Corresponded in writing with the banking organization concerning the deposit;
- (iv) Engaged in any credit, trust, or other deposit transaction with the banking organization; or
- (v) Otherwise indicated an interest in the deposit as evidenced by a memorandum on file with the banking organization;

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

- (i) Increased or decreased the amount of the funds or deposit, or presented an appropriate record for the crediting of interest or dividends;
- (ii) Corresponded in writing with the financial organization concerning the funds or deposit;
- (iii) Engaged in any credit, share, or other deposit transaction with the financial organization; or
- (iv) Otherwise indicated an interest in the funds or deposit as evidenced by a memorandum on file with the financial organization;

(3) Any sum payable on a check certified in this State or on a written instrument issued in this State on which a banking or financial organization or business association is directly liable, including any certificate of deposit, draft, traveler's check,

and money order, that has been outstanding for more than 3 years from the date it was payable (or 15 years in the case of a traveler's check) or, if payable on demand, from the date of its issuance, unless, within 3 years or 15 years in the case of a traveler's check, the owner has:

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

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

(4) Any property removed from a safekeeping repository on which the lease or rental period has expired or any surplus amounts arising from the sale of the property pursuant to law, that have been unclaimed by the owner for more than 3 years from the date on which the lease or rental period expired.

(b) Nothing in this section shall be construed to apply to any demand, savings, or matured time deposits that are designated subject to the order of any court of this State.

(c) Property is subject to the custody of this State as unclaimed property if the conditions raising a presumption of abandonment under this section are met and:

(1) The last known address, as shown on the records of the holder, of the apparent owner is in this State;

(2) The records of the holder do not reflect the identity of the person entitled to the property and it is established that the last known address of the person entitled to the property is in this State;

(3) The records of the holder do not reflect the last known address of the apparent owner, and it is established that:

(i) The last known address of the person entitled to the property is in this State; or

(ii) The holder is a domiciliary or a government or governmental subdivision or agency of this State and has not previously paid or delivered the property to the State of the last known address of the apparent owner or other person entitled to the property;

(4) The last known address, as shown on the records of the holder, of the apparent owner is in a state that does not provide by law for the escheat or custodial taking of the property or its escheat or unclaimed property law is not applicable to the property and the holder is a domiciliary or a government or governmental subdivision or agency of this State;

(5) The last known address, as shown on the records of the holder, of the apparent owner is in a foreign nation and the holder is a domiciliary or a government or governmental subdivision or agency of this State; or

(6) The transaction out of which the property arose occurred in this State and:

(i) The last known address of the apparent owner or other person entitled to the property is unknown or the last known address of the apparent owner or other person entitled to the property is in a state that does not provide by law for the escheat or custodial taking of the property or its escheat or unclaimed property law is not applicable to the property; and

(ii) The holder is a domiciliary of a state that does not provide by law for the escheat or custodial taking of the property or its escheat or unclaimed property law is not applicable to the property.

**§ 17-302.**

(a) Funds held or owing under any life or endowment insurance policy or annuity contract that has matured or terminated are presumed abandoned if unclaimed for more than 3 years after the funds become due and payable as established from the records of the insurance company holding or owing the funds.

(b) If a person other than the insured or annuitant is entitled to the funds and an address of the person is not known to the company or it is not definite and certain from the records of the company who is entitled to the funds, it is presumed that the last known address of the person entitled to the funds is the same as the last known address of the insured or annuitant according to the records of the company.

(c) For purposes of this subtitle, a life or endowment insurance policy or annuity contract not matured by actual proof of the death of the insured or annuitant according to the records of the company is matured and the proceeds due and payable if:

(1) The company knows that the insured or annuitant has died; or

(2) (i) The insured has attained, or would have attained if he were living, the limiting age under the mortality table on which the reserve is based;

(ii) The policy was in force at the time the insured attained, or would have attained, the limiting age specified in item (i) of this paragraph; and

(iii) Neither the insured nor any other person appearing to have an interest in the policy within the preceding 3 years, according to the records of the company, has assigned, readjusted, or paid premiums on the policy, subjected the policy to a loan, corresponded in writing with the company concerning the policy, or otherwise indicated an interest as evidenced by a memorandum or other record on file prepared by an employee of the company.

(d) (1) "Unclaimed funds", as defined in paragraph (2) of this subsection, held by a fire, casualty, or surety insurance corporation, shall be presumed abandoned if the last known address of the person entitled to the funds, according to the records of the corporation, is in this State. If a person other than the insured, the principal, or the claimant is entitled to the funds and the address of the person is not known to the



corporation or if it is not definite and certain from the records of the corporation which person is entitled to the funds, it is presumed that the last known address of the person entitled to the funds is the same as the last known address of the insured, the principal, or the claimant according to the records of the corporation.

(2) "Unclaimed funds", as used in this subsection, means all money held by any fire, casualty, or surety insurance corporation unclaimed and unpaid for more than 3 years after the money becomes due and payable, as established from the records of the corporation, either to an insured, a principal, or a claimant under any fire, casualty, or surety insurance policy or contract.

(e) Money otherwise payable according to the records of the corporation is considered due and payable although the policy or contract has not been surrendered as required.

**§ 17-303.**

The following funds held by any utility are presumed abandoned:

(1) Any deposit made by a subscriber with a utility to secure payment for, or any sum paid in advance for, utility services to be furnished in the State, less any lawful deduction, that has remained unclaimed by the person who appears on the records of the utility as entitled to it for more than 3 years after the termination of the services for which the deposit or advance payment was made;

(2) Any sum which a utility has been ordered to refund and which was received for utility services rendered in the State, together with any interest on it, less any lawful deduction, that has remained unclaimed by the person appearing on the records of the utility as entitled to it for more than 3 years after the date it became payable in accordance with the final determination or order providing for the refund; and

(3) Any sum paid to a utility for a utility service, which service has not been rendered within 3 years of the payment.

**§ 17-304.**

(a) Any stock or other certificate of ownership, or any dividend, profit, distribution, interest, payment on principal, or other sum held by a business association for or to a shareholder, certificate holder, member, bondholder or other security holder, or participating patron of a cooperative, who has not claimed it or corresponded in writing with the business association concerning it within 3 years after the date prescribed for payment or delivery, is presumed abandoned if:

(1) It is held by a business association organized under the laws of or created in this State;

(2) It is held by a business association doing business in this State but not organized under the laws of this State, and the records of the business association indicate that the last known address of the person entitled to it is in this State; or

(3) It is held by a business association not doing business in this State and not organized under the laws of this State, but the records of the business association indicate that the last known address of the person entitled to it is in this State.

(b) This section shall apply to the stock or other certificate of ownership on, for or from which the amounts described in subsection (a) of this section have been presumed abandoned if the owner of said underlying stock or certificate has not, within the 3-year period giving rise to the presumption of abandonment:

(1) Communicated in writing with the association regarding the interest or a dividend, distribution, or other sum payable as a result of the interest; or

(2) Otherwise communicated with the association regarding the interest or a dividend, distribution, or other sum payable as a result of the interest, as evidenced by a memorandum or other record on file with the association prepared by an employee of the association.

(c) At the expiration of a 3-year period following the failure of the owner to claim a dividend, distribution, or other sum payable to the owner as a result of the interest, the interest is not presumed abandoned unless there have been at least 3 dividends, distributions, or other sums paid during the period, none of which has been claimed by the owner. If 3 dividends, distributions, or other sums are paid during the 3-year period, the period leading to a presumption of abandonment commences on the date payment of the first such unclaimed dividend, distribution, or other sum became due and payable. If 3 dividends, distributions, or other sums are not paid during the presumptive period, the period continues to run until there have been 3 dividends, distributions, or other sums that have not been claimed by the owner.

(d) The running of the 3-year period of abandonment ceases immediately upon the occurrence of a communication referred to in subsection (b) of this section. If any future dividend, distribution, or other sum payable to the owner as a result of the interest is subsequently not claimed by the owner, a new period of abandonment commences and relates back to the time a subsequent dividend, distribution, or other sum became due and payable.

(e) At the time an interest is presumed abandoned under this section, any dividend, distribution, or other sum then held for or owing to the owner as a result of the interest, and not previously presumed abandoned, is presumed abandoned.

(f) This section does not apply to any stock or other intangible ownership interest enrolled in a plan that provides for the automatic reinvestment of dividends, distributions, or other sums payable as a result of the interest unless the records available to the administrator of the plan show, with respect to any intangible ownership interest not enrolled in the reinvestment plan, that the owner has not within 3 years communicated in any manner described in subsection (b) of this section.

(g) The holder of an interest under this section shall deliver a duplicate certificate or other evidence of ownership if the holder does not issue certificates of ownership to the administrator. Upon delivery of a duplicate certificate to the administrator, the holder and any transfer agent, registrar, or other person acting for or on behalf of a holder in executing or delivering the duplicate certificate is relieved of all liability of every kind in accordance with the provision of § 17-313 to every person, including any person acquiring the original certificate or the duplicate of the certificate issued to the administrator, for any losses or damages resulting to any person by the issuance and delivery to the administrator of the duplicate certificate.

**§ 17-305.**

All tangible or intangible personal property distributable on forfeiture of the charter or voluntary dissolution of a business association, banking organization, or financial organization organized under the laws of this State, that is unclaimed by the owner 60 days after the date of final distribution, is presumed abandoned.

**§ 17-306.**

All intangible personal property and any income or increment on it, held in a fiduciary capacity for the benefit of another person, is presumed abandoned unless, within 3 years after it becomes payable or distributable, the owner has increased or decreased the principal, accepted payment of principal or income, corresponded in writing concerning the property, or otherwise indicated an interest as evidenced by a memorandum on file with the fiduciary.

**§ 17-307.**

All intangible personal property held for the owner by any court, public corporation, public authority, or public officer of this State or any political subdivision of it that has remained unclaimed by the owner for more than 3 years is presumed abandoned.

**§ 17-308.**

(a) All unclaimed wages or outstanding payroll checks held or owing in the ordinary course of the holder's business, that have remained unclaimed by the owner for more than 3 years after they became payable, are presumed abandoned.

(b) All intangible personal property, not otherwise covered by this title, including any income or increment on it and deducting any lawful charges, that is held or owing in the ordinary course of the holder's business and has remained unclaimed by the owner for more than 3 years after it became payable or distributable, is presumed abandoned.

(c) Property is payable or distributable for the purpose of this title notwithstanding the owner's failure to make demand or to present any instrument or document required to receive payment.

(d) Property is reportable to this State under subsection (b) of this section under the priority rules established under § 17-301(c) of this subtitle.

**§ 17-308.1.**

(a) A holder may not impose any charges on a dormant or inactive account or cease payment or accrual of any benefits, including dividends or interest on property during the period of time giving rise to the presumption of abandonment unless:

(1) The charges or cessation of any benefit are provided for in a valid, enforceable and written contract between the holder and the owner which specifies the amount or rate of the charges and that the benefit will cease;

(2) For property in excess of \$100, the holder gives written notice to the owner at the owner's last known address before the proposed action; and

(3) The holder imposes charges or ceases accrual or payment of benefits on all dormant or inactive accounts, and does not reverse or otherwise cancel the charges or retroactively pay or accrue benefits with respect to those accounts.

(b) A holder may consider a money order dormant or inactive for purposes of imposing a service charge if the owner has taken none of the actions set forth in § 17-301(a)(3) of this article for 1 year from the date of issuance of the money order.

(c) The notice required in this section is not required with respect to charges imposed or benefits that ceased prior to July 1, 1981.

**§ 17-308.2.**

Not more than 120 days or less than 30 days before the filing of the report required under § 17-310 of this subtitle, the holder in possession of presumed abandoned property shall send a written notice by first class mail to the apparent owner of the presumed abandoned property to the owner's last known address informing the owner that:

(1) The holder is in possession of property subject to the provisions of this title; and

(2) The property will be considered abandoned unless the owner responds within 30 days of the notification to the holder.

**§ 17-309.**

If specific property which is subject to the provisions of this subtitle is held for an owner whose last known address is in another state, the specific property is not presumed abandoned in this State and is not subject to this subtitle if:

(1) It may be claimed as abandoned or escheated under the laws of the other state; and

(2) The laws of the other state make reciprocal provision that similar specific property is not presumed abandoned or escheatable by the other state when held for an owner whose last known address is in this State.

**§ 17-310.**

(a) Every person holding funds or other tangible or intangible property presumed abandoned under this subtitle shall report to the administrator with respect to the property as provided in this section.

(b) The report shall be made under oath and shall include:

(1) The name, if known, and last known address, if any, of each person who appears from the records of the holder to be the owner of any property valued at \$100 or more and presumed abandoned under this subtitle;

(2) In case of unclaimed funds of an insurance corporation, the full name of the insured, annuitant, principal, or claimant, and the last known address according to the insurance corporation's records;

(3) The nature and identifying number, if any, or description of the property and the amount which appears from the records to be due, except that items valued at less than \$100 each may be reported in the aggregate;

(4) The date when the property became payable, demandable, or returnable, and the date of the last transaction with the owner with respect to the property; and

(5) Any other information, which the administrator prescribes by rule as necessary for the administration of this title.

(c) If the person holding property presumed abandoned is a successor to any other person who previously held the property for the owner, or if the holder has changed his name while holding the property, the person shall file with the report all prior known names and addresses of each holder of the property.

(d) The report shall be for the period of July 1 through June 30 of each year and filed no later than October 31 of that year. However, the reporting period for an insurance corporation shall be from January 1 through December 31 of each year and the report shall be filed no later than April 30 of the following year. The administrator may postpone the reporting date on the written request of any person required to file a report.

(e) Verification, if made by a partnership, shall be executed by a partner; if made by an unincorporated association or private corporation, by an officer; and if made by a public corporation, by its chief fiscal officer.

**§ 17-310.1.**

(a) In case any banking or financial organization, insurance corporation, or utility neither holds nor owes any abandoned property specified in this title on June 30 of any year, it shall make a written report to the administrator so stating as provided in this section.

(b) The report shall be signed by the holder who, by signing, attests to the veracity of the report.

(c) The report shall be made on a standard form and include information that the administrator requires.

(d) (1) For banking or financial organizations, the report shall be for the period of July 1 through June 30 and shall be filed no later than October 31 of the same year.

(2) For insurance corporations, the report shall be for the period of January 1 through December 31 of each year, and shall be filed no later than April 30 of the following year.

**§ 17-310.1.**

(a) In case any banking or financial organization, insurance corporation, or utility neither holds nor owes any abandoned property specified in this title on June 30 of any year, it shall make a written report to the administrator so stating as provided in this section.

(b) The report shall be signed by the holder who, by signing, attests to the veracity of the report.

(c) The report shall be made on a standard form and include information that the administrator requires.

(d) (1) For banking or financial organizations, the report shall be for the period of July 1 through June 30 and shall be filed no later than October 31 of the same year.

(2) For insurance corporations, the report shall be for the period of January 1 through December 31 of each year, and shall be filed no later than April 30 of the following year.

**§ 17-311.**

(a) (1) Within 360 days from the filing of the report required by § 17-310 of this subtitle, the administrator shall cause notice to be published in a newspaper of general circulation in the county in the State within which is located the last known address of any person to be named in the notice.

(2) If an address is not listed or if the address is outside the State, the notice shall be published in the county within which the holder of the abandoned property has the principal place of business in this State.

(b) The published notice shall be entitled "Notice of Names of Persons Appearing to Be Owners of Abandoned Property" and shall contain:

(1) The names in alphabetical order and last known addresses, if any, of persons listed in the report and entitled to notice in the county specified in this section;

(2) A statement that information concerning the amount or description of the property and the name and address of the holder may be obtained by any person who possesses an interest in the property, by addressing an inquiry to the administrator; and

(3) Deleted

(c) The administrator is not required to publish in the notice any item valued at less than \$100 unless the administrator considers the publication to be in the public interest.

(d) Within 120 days from the receipt of the report required by § 17-310 of this subtitle, the administrator shall mail a notice to each person who has an address listed in the report who appears entitled to property valued at \$100 or more and presumed abandoned under this subtitle.

(e) The mailed notice shall contain:

(1) A statement that, according to a report filed with the administrator, property is being held to which the addressee appears entitled;

(2) The name and address of the person holding the property and any necessary information regarding any change of the name or address of the holder;

(3) Deleted

**§ 17-312.**

(1) Reports and remittances for Corporations, Financial Institutes, and Non-Insurance filers for the period ending June 30, 2004 are due October 31, 2004.

(2) Reports and remittances for Insurance company filers for the period ending December 31, 2004 are due April 30, 2005.

**§ 17-313.**

On the payment or delivery of any abandoned property under this title to the administrator, the State shall assume custody and shall be responsible for its safekeeping. Any person who pays or delivers abandoned property to the administrator under this title is relieved of all liability, to the extent of the value of the property paid or delivered, for any claim which exists or may arise with respect to the property. Any holder who has paid money to the administrator under this title may make payment to any person who appears to the holder to be entitled to it and, on proof of the payment and proof that the

payee was entitled to it, the administrator immediately shall reimburse the holder for the payment.

**§ 17-314.**

Interest was not required to be paid under this section for any period before July 1, 1981 or after June 30, 2004.

Interest provision repeal effective July 1, 2004.

**§ 17-315.**

The expiration of any period of time specified by statute or court order, during which an action or proceeding may be commenced or enforced to obtain payment of a claim for money or recovery of property, may not:

- (1) Prevent the money or property from being presumed abandoned property;
- or
- (2) Affect any duty to file a report required by this subtitle or to pay or deliver abandoned property to the administrator.

**§ 17-316.**

(a) Except as provided in this subsection, all abandoned property under this title, other than money delivered to the administrator under this title, shall be offered for sale by the administrator within 1 year of delivery. The sale shall be to the highest bidder at public sale in whatever place in the State affords the most favorable market for the property involved. The administrator may decline the highest bid and reoffer the property for sale if the price bid is insufficient. The administrator need not offer any property for sale if, the probable cost of sale exceeds the administrator's estimation of the value of the property.

(b) Any sale held under this section shall be preceded by a single publication of notice at least three weeks in advance of the sale in a newspaper of general circulation in the county where the property is to be sold.

(c) The purchaser at any sale conducted by the administrator under this section shall receive title to the property purchased, free from every claim of the owner or prior holder of it and of every person who claims through or under them. The administrator shall execute all documents necessary to complete the transfer of title.

(d) No action by any person may be brought or maintained against the State or any officer of the State for or on account of any transaction entered into pursuant to and in accordance with the provisions of this section.

**§ 17-317.**



(a) (1) All funds received under this title, including the proceeds of the sale of abandoned property under § 17-316 of this subtitle, shall be credited by the administrator to a special fund. The administrator shall retain in the special fund at the end of each fiscal year, from the proceeds received, an amount not to exceed \$50,000, from which sum the administrator shall pay any claim allowed under this title.

(2) After deducting all costs incurred in administering this title from the remaining net funds the administrator shall distribute \$500,000 to the Maryland Legal Services Corporation to support the activities of the corporation.

(3) After making the distribution required under paragraph (2) of this subsection, the administrator shall distribute the remaining net funds not retained under paragraph (1) of this subsection to the General Fund of the State.

(b) Before making the distribution, the administrator shall record the name and last known address, if any, of the owners of funds so distributed and the type of property which the funds distributed represent. The record shall be available for public inspection during reasonable business hours by any person who claims a legal interest in any property held by the administrator, provided that the person gives prior notice to the administrator.

**§ 17-318.**

Any person who claims a legal interest in any property delivered to the State under this title must file a claim to the property or to the proceeds from its sale on the form prescribed by the administrator.

**§ 17-319.**

(a) (1) The administrator shall consider any claim filed under this title and may hold a hearing and receive evidence concerning it.

(2) If a hearing is held, he shall prepare a finding and a decision in writing on each claim filed, stating the substance of any evidence heard by him and the reasons for his decision. The decision shall be a public record.

(b) If the claim is allowed, the administrator immediately shall make payment. The claim shall be paid without deduction for costs of notices or sale or for service charges.

(c) In satisfying a claim the administrator shall pay the claimant an amount equal to the sales price obtained at the public sale plus interest at the rate equal to that earned by the State Treasurer each year on invested State funds.

**§ 17-320.**

Any person aggrieved by a decision of the administrator or as to whose claim the administrator has failed to act within 90 days after the filing of the claim, may commence

an action in the circuit court for the county to establish his claim. The proceeding shall be brought within 90 days after the decision of the administrator or within 180 days from the filing of the claim if the administrator fails to act.

**§ 17-321.**

After receiving reports of property presumed abandoned under this title, the administrator may decline to receive any property reported which he considers to be valued at less than the cost of giving notice or of holding a sale. He may postpone taking possession until a sufficient sum accumulates, if he considers it desirable because of the small sum involved.

**§ 17-322.**

(a) At reasonable times and on reasonable notice, the administrator may examine the records of any person if there is reason to believe that the person has failed to report property that should have been reported under this title. The administrator may not examine the records of any person regarding abandoned property after 5 years from the date the person filed the report with the administrator covering the period of time during which the property allegedly became abandoned, unless the administrator finds that the person acted fraudulently or with gross negligence with respect to the report.

(b) If any person refuses to permit the examination of records, the administrator may issue a subpoena to compel the person to testify and produce records. The subpoena shall be served by the sheriff of the county where the person resides or may be found. The person shall be entitled to the same per diem and mileage as witnesses appearing in a circuit court of the State, which shall be paid by the State.

(c) If any person refuses to obey any subpoena so issued or refuses to testify or produce records, the administrator may present a petition to the circuit court of the county where the person is served with the subpoena or where the person resides. The court then shall issue an order to require the person to obey the subpoena or to show cause for failure to obey it. Unless the person shows sufficient cause for failing to obey the subpoena, the court immediately shall direct the person to obey and, on refusal to comply, adjudge the person to be in contempt of court and punished as the court may direct.

**§ 17-323.**

(a) Any person who fails to pay or deliver abandoned property to the administrator as required by this title shall pay a penalty equal to 15 percent of the value of the property. If any person fails to file any report or refuses to deliver property to the administrator as required by this title, the administrator may bring an action in a court of appropriate jurisdiction to require the filing of the report and to enforce delivery of the property.

(b) Any person who willfully fails to render any report or perform any other duty required by Subtitle 3 of this title is subject to a fine of \$100 for each day the report is withheld, but not more than \$5,000.

(c) In addition to the provisions of subsection (a) of this section, any person who willfully refuses to pay or deliver abandoned property to the administrator as required by Subtitle 3 of this title is subject to a fine of not less than \$500 nor more than \$5,000 or imprisonment for not more than six months or both.

**§ 17-324.**

(a) The administrator may enter into agreements with other states to exchange information needed to enable this or another state to audit or otherwise determine unclaimed property that it or another state may be entitled to subject to a claim of custody. The administrator by rule may require the reporting of information needed to enable compliance with agreements made pursuant to this section and prescribe the form.

(b) To avoid conflicts between the administrator's procedures and the procedures of administrators in other jurisdictions that enact the Uniform Unclaimed Property Act, the administrator, so far as is consistent with the purposes, policies, and provisions of this subtitle, before adopting, amending, or repealing rules, may advise and consult with administrators in other jurisdictions that enact substantially the Uniform Unclaimed Property Act and take into consideration the rules of administrators in other jurisdictions that enact the Uniform Unclaimed Property Act.

(c) The administrator may join with other states to seek enforcement of this subtitle against any person who is or may be holding property reportable under this Act.

**§ 17-325.**

All agreements to pay compensation to recover or assist in the recovery of property made within 24 months of the date the property is paid or delivered to the abandoned property office are unenforceable.

**§ 17-326.**

This title may be cited as the Maryland Uniform Disposition of Abandoned Property Act.

Title 03

COMPTROLLER OF THE TREASURY

Subtitle 05 MISCELLANEOUS REVENUE

Chapter 01 Abandoned Property Regulations

Authority: Commercial Law Article, §17-103, Annotated Code of Maryland

.01 Abandoned Funds.

Any checking, savings, share, negotiable order of withdrawal, automatic transfer, share draft, electronic terminal account, or other similar type of account, held by a banking or financial organization, is presumed abandoned after 3 years if the depositor or shareholder has not actively deposited, withdrawn or presented the passbook or its equivalent for crediting of interest, or otherwise indicated an interest in the funds or deposit as evidenced by memorandum or correspondence from the depositor on file with the banking or financial organization.

.02 Service Charges.

A. A service charge of any type may not be made by a holder of any property presumed abandoned under Commercial Law Article, Title 17, during the period of time giving rise to presumption of abandonment unless the holder complies with the requirements set forth in Commercial Law Article, §17-308.1.

B. Except in those instances in which a service charge is properly made pursuant to §17-308.1, a holder shall report, pursuant to §17-310, the full amount appearing on the face of every instrument presumed abandoned. By way of illustration but not of limitation, instruments subject to these provisions include certificates of deposit, drafts, traveler's checks, and money orders.

C. For purposes of Commercial Law Article, §17-308.1, an account shall be considered dormant or inactive, if, with respect to that account, the owner has for a period of 3 consecutive years, taken none of the actions set forth in Commercial Law Article, §17-301. When a service charge is

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permitted in these regulations, the maximum amount of the charge shall be \$10 per year for an account that does not exceed \$50 and \$20 per year for an account that exceeds \$50.

### 03 Liability for Interest.

A holder may not cease payment or accrual of any benefits, including dividends or interest on property, under this title, unless the holder complies with the requirements as set forth in Commercial Law Article, §17-308.1.

### .04 Prohibited Agreements.

Contractual agreements are not permitted which tend to circumvent the intention of the Maryland General Assembly and provide any holder subject to this Article with a windfall or private escheat practice. The total reported shall be the amount the owner would have received had the property not been abandoned.

### .05 Voluntary Reporting.

Since the Maryland law is purely custodial, any holder of unclaimed property may voluntarily report funds before the statutory due dates and be relieved of all accountability and responsibility upon delivery of the unclaimed property to this office.

### 06 Retirement Accounts.

The period of abandonment for accounts established pursuant to 26 U.S.C. §401(a), et seq. (commonly known as Self-Employed Retirement, or Keogh, Plans) and 26 U.S.C. §408(a), et seq. (commonly known as Individual Retirement Accounts or IRA's) may not begin until such time as distribution of all or part of the property constituting the respective account shall be, under the terms of the retirement plan, mandatory.

### .07 Automatically Renewable Certificates of Deposit.

The period of abandonment for any property automatically renewable according to its terms that is subject to 17-301 and 17-308 shall commence after the expiration of its initial term. If, at the time provided for delivery in §17-312, a penalty or forfeiture in payment of interest would result from the delivery of that property, the time for delivery shall be extended until such time as no penalty or forfeiture would result.

## **Regulation 03.05.02.03**

### **.03 Review of a Notice of Assessment for Unclaimed Property.**

A. Upon receipt of a Notice of Assessment for Unclaimed Property, the person shall promptly:

- (1) Pay or deliver to the Administrator the abandoned property;
- (2) File a written Request for Revision; or
- (3) Commence an action in the circuit court.

B. Requests for Revision of Assessment.

(1) A person may make a request to revise a Notice of Assessment for Unclaimed Property by submitting a written Request for Revision to the Hearings and Appeals Section of the Comptroller's Office within 90 days of the date of the Notice of Assessment for Unclaimed Property.

(2) The person's Request for Revision shall:

- (a) Itemize the specific objections the person has to the Notice of Assessment for Unclaimed Property; and
- (b) Attach to it a copy of the Notice of Assessment for Unclaimed Property.

(3) A Request for Revision shall stay the decision of the Administrator included in the Notice of Assessment for Unclaimed Property until:

- (a) A Notice of Final Determination is issued;
- (b) The Request for Revision is dismissed; or
- (c) The Request for Revision is withdrawn.

C. Hearings.

(1) After receipt of a timely Request for Revision, the Comptroller's Hearings and Appeals Section shall schedule a hearing.

(2) The Hearings and Appeals Section shall notify the person:

- (a) Of the date, time, and place of the hearing;
- (b) That the person may present witnesses and documents at the hearing; and

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(c) That failure to appear for the scheduled hearing shall be treated as a withdrawal of the Request for Hearing.

### (3) Postponements.

(a) The hearing officer shall consider a request for postponement only if the person establishes good cause for the postponement.

(b) Except as provided in §C(3)(d) of this regulation, a request for postponement shall be made in writing and be received by the Hearings and Appeals Section not less than 5 business days before the scheduled hearing.

(c) The hearing officer may request documentation of the reasons for the postponement request from the person.

### (d) Emergency Request for Postponement.

(i) For purposes of this paragraph, "emergency" means a sudden, unforeseen occurrence requiring immediate attention which arises within 5 business days of the hearing.

(ii) In an emergency, a request for postponement may be made by telephone.

(4) Failure to Attend Hearing. If a person fails to attend a scheduled hearing, the decision of the Administrator as stated in the Notice of Assessment for Unclaimed Property becomes effective as of the date of the scheduled hearing.

### (5) Prehearing Procedure. Before a hearing, the hearing officer may:

(a) Review or request materials relevant to the proceedings; and

(b) Hold a prehearing conference.

### (6) Procedures.

(a) The hearing officer shall record all hearings.

(b) A person may produce witnesses and documents in support of the person's position.

### (c) Subpoenas.

(i) A person may request that the hearing officer subpoena witnesses.

(ii) A person shall make the request in writing, not later than 10 days before the hearing, explaining why the subpoena is necessary.

(iii) The hearing officer may decline to issue the subpoena.

(d) The hearing officer may question any witnesses and may produce, by subpoena or otherwise, additional witnesses.

(e) A person may question any witnesses called by the hearing officer.

(f) The hearing officer may allow a person time to provide additional evidence or written arguments, and may reconvene the hearing if the hearing officer considers it necessary.

(g) The hearing officer may consult with any employee of the Administrator and with the person before making a decision in a case.

### (7) Evidence.

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- (a) The hearing officer shall consider probative evidence without regard to any technical rules, but may reject evidence which is incompetent, irrelevant, immaterial, unduly repetitious, or not responsive.
  - (b) Copies of documents may be admitted, although the hearing officer may require production of originals.
  - (c) The hearing officer shall retain documentary or other evidence for at least 60 days after the case is finally resolved. The evidence may then be destroyed unless the owner or person producing it makes a written request for its return.
- (8) Witnesses shall be under oath or affirmation.
- (9) Notice of Final Determination.
- (a) The hearing officer shall issue a Notice of Final Determination on behalf of the Administrator.
  - (b) The Notice of Final Determination shall be mailed to the person and shall state the:
    - (i) Substance of the evidence heard;
    - (ii) Decision; and
    - (iii) Reasons for the decision.

D. If the Notice of Final Determination concludes that the person has failed to pay or deliver abandoned property to the administrator as required under Commercial Law Article, Title 17, Annotated Code of Maryland, the person shall pay or deliver to the Administrator the abandoned property within 30 days of the date on the Notice of Final Determination.

E. A person aggrieved by a decision of the Administrator may commence an action in the circuit court for the county:

- (1) Within 90 days of the decision of the Administrator;
- (2) In the event of the filing of a Request for Revision, within 90 days of the date of the Notice of Final Determination; or
- (3) In the event that a Request for Revision was filed and subsequently dismissed or withdrawn, within 90 days of the dismissal or withdrawal.