

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Enrolled

Committee Substitute

for

Senate Bill 599

BY SENATORS HALL, CARMICHAEL, PREZIOSO AND

PLYMALE, *original sponsors*

[Passed March 11, 2016; in effect 90 days from
passage]

1 AN ACT to amend and reenact §36-8-2 of the Code of West Virginia, 1931, as amended, relating
2 generally to Uniform Unclaimed Property Act; and clarifying that presumed abandoned
3 property in the form of amounts owed by an insurer on a life or endowment insurance
4 policy or an annuity that has matured or terminated, and obligations related thereto, are
5 guided by policies, requirements and interpretations of the Insurance Commissioner.

Be it enacted by the Legislature of West Virginia:

1 That §36-8-2 of the Code of West Virginia, 1931, as amended, be amended and reenacted
2 to read as follows:

ARTICLE 8. UNIFORM UNCLAIMED PROPERTY ACT.

§36-8-2. Presumptions of abandonment.

1 (a) Property is presumed abandoned if it is unclaimed by the apparent owner during the
2 time set forth below for the particular property:

3 (1) Traveler's check, fifteen years after issuance;

4 (2) Money order, seven years after issuance;

5 (3) Stock or other equity interest in a business association or financial organization,
6 including a security entitlement under article eight of the uniform commercial code, five years after
7 the earlier of: (i) The date of the most recent dividend, stock split or other distribution unclaimed
8 by the apparent owner; or (ii) the date of the second mailing of a statement of account or other
9 notification or communication that was returned as undeliverable or after the holder discontinued
10 mailings, notifications or communications to the apparent owner;

11 (4) Debt of a business association or financial organization, other than a bearer bond or
12 an original issue discount bond, five years after the date of the most recent interest payment
13 unclaimed by the apparent owner;

14 (5) A noninterest-bearing demand, savings or time deposit, including a deposit that is
15 automatically renewable, five years after the earlier of maturity or the date of the last indication
16 by the owner of interest in the property; an interest-bearing demand, savings or time deposit

17 including a deposit that is automatically renewable, seven years after the earlier of maturity or the
18 date of the last indication by the owner of interest in the property. A deposit that is automatically
19 renewable is deemed matured for purposes of this section upon its initial date of maturity, unless
20 the owner has consented to a renewal at or about the time of the renewal and the consent is in
21 writing or is evidenced by a memorandum or other record on file with the holder;

22 (6) Money or credits owed to a customer as a result of a retail business transaction, three
23 years after the obligation accrued;

24 (7) Gift certificate, three years after December 31 of the year in which the certificate was
25 sold, but if redeemable in merchandise only, the amount abandoned is deemed to be sixty percent
26 of the certificate's face value;

27 (8) Amount owed by an insurer on a life or endowment insurance policy or an annuity that
28 has matured or terminated, three years after the obligation to pay arose or, in the case of a policy
29 or annuity payable upon proof of death, three years after the insured has attained, or would have
30 attained if living, the limiting age under the mortality table on which the reserve is based: *Provided,*
31 That the obligations set forth in this subdivision and the application of subsection (e) of this section
32 relating to this subdivision are guided by policies, requirements and interpretations of the
33 Insurance Commissioner;

34 (9) Property distributable by a business association or financial organization in a course
35 of dissolution, one year after the property becomes distributable;

36 (10) Property received by a court as proceeds of a class action and not distributed
37 pursuant to the judgment, one year after the distribution date;

38 (11) Property held by a court, government, governmental subdivision, agency or
39 instrumentality, one year after the property becomes distributable;

40 (12) Wages or other compensation for personal services, one year after the compensation
41 becomes payable;

42 (13) Deposit or refund owed to a subscriber by a utility, two years after the deposit or

43 refund becomes payable;

44 (14) Property in an individual retirement account, defined benefit plan or other account or
45 plan that is qualified for tax deferral under the income tax laws of the United States, three years
46 after the earliest of the date of the distribution or attempted distribution of the property, the date
47 of the required distribution as stated in the plan or trust agreement governing the plan, or the date,
48 if determinable by the holder, specified in the income tax laws of the United States by which
49 distribution of the property must begin in order to avoid a tax penalty;

50 (15) Warrants for payment issued by the State of West Virginia which have not been
51 presented for payment, within six months of the date of issuance;

52 (16) All funds held by a fiduciary, including the state Municipal Bond Commission, for the
53 payment of a note, bond, debenture or other evidence or indebtedness, five years after the
54 principal maturity date, or if such note, bond, debenture or evidence of indebtedness is called for
55 redemption on an earlier date, then the redemption date, such premium or redemption date to
56 also be applicable to all interest and premium, if any, attributable to such note, bond, debenture
57 or other evidence of indebtedness; and

58 (17) All other property, five years after the owner's right to demand the property or after
59 the obligation to pay or distribute the property arises, whichever first occurs.

60 (b) At the time that an interest is presumed abandoned under subsection (a) of this section,
61 any other property right accrued or accruing to the owner as a result of the interest, and not
62 previously presumed abandoned, is also presumed abandoned.

63 (c) Property is unclaimed if, for the applicable period set forth in subsection (a) of this
64 section, the apparent owner has not communicated in writing or by other means reflected in a
65 contemporaneous record prepared by or on behalf of the holder, with the holder concerning the
66 property or the account in which the property is held, and has not otherwise indicated an interest
67 in the property. A communication with an owner by a person other than the holder or its
68 representative who has not in writing identified the property to the owner is not an indication of

69 interest in the property by the owner.

70 (d) An indication of an owner's interest in property includes:

71 (1) The presentment of a check or other instrument of payment of a dividend or other
72 distribution made with respect to an account or underlying stock or other interest in a business
73 association or financial organization or, in the case of a distribution made by electronic or similar
74 means, evidence that the distribution has been received;

75 (2) Owner-directed activity in the account in which the property is held, including a direction
76 by the owner to increase, decrease or change the amount or type of property held in the account;

77 (3) The making of a deposit to or withdrawal from a bank account; and

78 (4) The payment of a premium with respect to a property interest in an insurance policy;
79 but the application of an automatic premium loan provision or other nonforfeiture provision
80 contained in an insurance policy does not prevent a policy from maturing or terminating if the
81 insured has died or the insured or the beneficiary of the policy has otherwise become entitled to
82 the proceeds before the depletion of the cash surrender value of a policy by the application of
83 those provisions.

84 (e) Property is payable or distributable for purposes of this article notwithstanding the
85 owner's failure to make demand or present an instrument or document otherwise required to
86 obtain payment.