

2A:37-13 ET AL.

LEGISLATIVE HISTORY CHECKLIST

NJSA 2A:37-13 et al.

Laws of 1975 Chapter 168

Bill No. A3155

Sponsor(s) Herman, Garrubbo & Hamilton

Date Introduced February 24, 1975

Committee: Assembly Banking & Insurance

Senate State Gov't. & Federal & Interstate Relations

Amended during passage Yes ~~Yes~~ Amendments during passage denoted by asterisks

Date of passage: Assembly May 1, 1975

Senate May 27, 1975

Date of approval July 30, 1975

Following statements are attached if available:

Sponsor statement Yes ~~No~~

Committee Statement: Assembly Yes ~~No~~

Senate Yes ~~No~~

Fiscal Note ~~Yes~~ No

Veto message ~~Yes~~ No

Message on signing Yes No

Following were printed:

Reports Yes No

Hearings Yes No

For Uniform Disposition of Unclaimed Property Act cited in sponsors' statement, see:

TB100 Uniform laws annotated, v. 8.  
U58

Do Not Remove From Library  
DEPOSITORY COPY

10/4/76  
JUN 1977

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 3155

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 24, 1975

By Assemblymen HERMAN, GARRUBBO and HAMILTON

Referred to Committee on Banking and Insurance

AN ACT concerning escheat of certain unclaimed personal property,  
and amending N. J. S. \*2A:37-13,\* 2A:37-30, \*2A:37-32 and  
2A:37-33\*.

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 \*1. N. J. S. 2A:37-13 is amended to read as follows:

2 2A:37-13. *Whenever the owner, beneficial owner, or person*  
3 *entitled to any personal property within this State, has been or shall*  
4 *be and remain unknown for the period of 14 successive years, or*  
5 *whenever the whereabouts of such owner, beneficial owner or*  
6 *person, has been or shall be and remain unknown for the period of*  
7 *14 successive years, or whenever any personal property wherever*  
8 *situate has been or shall be and remain unclaimed for the period*  
9 *of 14 successive years, then, in any such event, such personal*  
10 *property shall escheat to the State. The provisions of this section*  
11 *are not applicable to sums payable on a money order or travelers*  
12 *check issued or sold in this State.\**

1 \***[1.]**\* \*2.\* N. J. S. 2A:37-30 is amended to read as follows:

2 2A:37-30. a. Except as may be otherwise provided by subsec-  
3 tions (b) **[and]**, (c) *and* (d) of this section, whenever a corpora-  
4 tion, partnership, limited partnership or other business association  
5 incorporated or organized under the laws of this State or whenever  
6 any natural person doing business and domiciled in this State shall  
7 have custody or possession of, or otherwise be the holder of, or  
8 shall have deposited with or given to an agent or trustee residing  
9 within or without this State custody or possession of, stock divi-  
10 dends or any moneys and other accretions which are or shall be  
11 due or payable to any person as a dividend upon capital stock,  
12 preferred or common, or as interest payable upon bonds, inden-

**EXPLANATION**—Matter enclosed in bold-faced brackets **[thus]** in the above bill  
is not enacted and is intended to be omitted in the law.

13 tures, notes or other formal instruments evidencing indebtedness,  
14 or any moneys payable on other general cash obligations, and except  
15 as may be otherwise provided by subsections (b) **[and]**, (c) *and*  
16 (d) of this section, whenever any corporation, partnership, limited  
17 partnership or other business association incorporated or orga-  
18 nized under the laws of any other state or of the United States or  
19 whenever any natural person doing business within or without this  
20 State, and subject to the laws of this State shall have custody or  
21 possession or otherwise be a holder of any moneys or other per-  
22 sonal property which are due or payable by such holder to any  
23 person in any of the categories above enumerated whose last known  
24 address according to the records of the holder is within this State  
25 and the owner of, beneficial owner of, or person entitled to the same  
26 has been and remains unknown for a period of 5 successive years,  
27 or the whereabouts of such person has been and remains unknown  
28 for a period of 5 successive years, or such personal property has  
29 been and remains unclaimed for a period of 5 successive years,  
30 such moneys or other personal property shall be presumed aban-  
31 doned and subject to delivery to the State Treasurer for safe-  
32 keeping.

33 (b) (1) Any funds deposited with or paid to any State or Federal  
34 savings and loan association, credit union or investment company  
35 engaged in business in this State for savings or toward the pur-  
36 chase of shares or other interest in the organization and any  
37 interest or dividends thereon shall be presumed abandoned unless  
38 the owner of same has within 20 years:

39 (i) increased or decreased the amount of the funds on de-  
40 posit or presented an appropriate record for the crediting of  
41 interest or dividends; or

42 (ii) corresponded in writing with the organization concern-  
43 ing the funds or deposits;

44 (iii) otherwise indicated an interest in the funds or deposit  
45 as evidenced by a memorandum on file with the organization.

46 (2) Any funds held by any State or Federal savings and loan  
47 association, credit union or investment company engaged in busi-  
48 ness in this State payable on any check, money order or other  
49 general cash obligation of the organization which have remained  
50 unpaid or unclaimed for 5 successive years shall be presumed  
51 abandoned.

52 (c) All personal property distributable in the course of a volun-  
53 tary dissolution or other liquidation of:

54 (1) Any corporation, partnership, limited partnership, unincor-  
 55 porated business association, financial association or other business  
 56 or financial entity, incorporated or organized within or under the  
 57 laws of this State; or

58-59 (2) Any corporation, partnership, limited partnership, unincor-  
 60 porated business association, financial association or other business  
 61 or financial entity incorporated or organized within or under the  
 62 laws of any other state, or of the United States, which personal  
 63 property is payable to a person whose last known address is within  
 64 this State, which is unclaimed by the person entitled thereto within  
 65 2 years after the date of final distribution is presumed abandoned  
 66 and subject to delivery to the State Treasurer for safekeeping.

67 *(d) Any sum payable on a money order or travelers check issued*  
 68 *or sold in this State by a corporation, partnership, limited part-*  
 69 *nership or other business association subject to the laws of this*  
 70 *State, which has been outstanding for more than 7 years from the*  
 71 *date of its issuance in the case of a money order or for more than*  
 72 *15 years from the date of its issuance in the case of a travelers*  
 73 *check, is presumed abandoned, unless the owner has within 7 years*  
 74 *in the case of a money order or 15 years in the case of a travelers*  
 75 *check corresponded in writing with such corporation, partnership,*  
 76 *limited partnership or other business association concerning it, or*  
 77 *otherwise indicated an interest as evidenced by a memorandum on*  
 78 *file with such corporation, partnership, limited partnership or other*  
 79 *business association.*

1 \*3. *N. J. S. 2A:37-32 is amended to read as follows:*

2 *2A:37-32. (a) Within 120 days from the filing of the report*  
 3 *required by this article, the State Treasurer shall cause notice to*  
 4 *be published at least once each week for 2 successive weeks in an*  
 5 *English language newspaper of general circulation in the county*  
 6 *in this State in which is located the last known address of any*  
 7 *person to be named in the notice. If no address is listed or if the*  
 8 *address is outside this State, the notice shall be published in an*  
 9 *English language newspaper of general circulation in Mercer*  
 9A *county.*

10 *(b) The published notice shall be entitled, "Notice of Names of*  
 11 *Persons Appearing to be Owners of Abandoned Property" and*  
 12 *shall contain:*

13 *(1) The names, if known, the last known addresses, if any,*  
 14 *of persons listed in the report and entitled to notice as herein*  
 15 *provided.*

16 *(2) A statement that information concerning the amount or*  
 17 *description of the property and the name and address of the*

18 holder may be obtained by any person possessing an interest  
19 in the property by addressing an inquiry to the State Treasurer.

20 (3) A statement that if proof of claim is not presented by  
21 the owner to the holder and if the owner's right to receive the  
22 property is not established to the holder's satisfaction within  
23 65 days from the date of the second published notice, the prop-  
24 erty will be delivered to the State Treasurer to whom all  
25 further claims must thereafter be directed.

26 (c) The State Treasurer is not required to publish items of  
27 property of less than \$50.00.

28 (d) If the address of any person listed in the report is outside  
29 this State, the State Treasurer shall, within 120 days from the  
30 receipt of the report required by this article, also mail a notice to  
31 such person at the address listed. The mailed notice shall contain a  
32 statement that according to a report filed with the State Treasurer  
33 property is being held to which the addressee appears entitled; the  
34 name and address of the person holding the property and a state-  
35 ment that if satisfactory proof of claim is not presented to the  
36 holder by the date specified in the published notice the property  
37 will be placed in the custody of the State Treasurer to whom all  
38 further claims must be directed.

39 (e) This section is not applicable to sums payable on travelers  
40 checks presumed abandoned under N. J. S. 2A:37-30 (d).

1 4. N. J. S. 2A:37-33 is amended to read as follows:

2 2A:37-33. Every person who has filed a report required by  
3 section 2A:37-31 shall within 20 days after the expiration of the  
4 time specified in section 2A:37-32 for claiming the property from  
5 the holder pay or deliver to the State Treasurer the property  
6 specified in the report except that if the owner established his right  
7 to receive said property to the satisfaction of the holder within the  
8 time specified in section 2A:37-32 or if it appears that for some  
9 other reason the presumption of abandonment is erroneous, the  
10 holder need not pay or deliver the property which will no longer  
11 be presumed abandoned to the State Treasurer, but in lieu thereof  
12 shall file a verified written explanation of the proof of claim or of  
13 the error in presumption of abandonment. If the report required by  
14 section 2A:37-31 contains any item of property which the State  
15 Treasurer determines is without sufficient substance or value, he  
16 may inform the person reporting that the State will not take said  
17 item of property because of its worthless nature.

18 The payment of the said moneys by the corporation, organization  
19 or other person to the State Treasurer pursuant to the provisions

20 of this article shall, as respects such moneys, automatically operate  
21 as a full, absolute and unconditional release and discharge of the  
22 corporation or other person from any and all claims, demands or  
23 liability to the person whose moneys have been paid to the treas-  
24 urer, and such payment may be pleaded as an absolute bar to any  
25 action brought against such corporation or other person by any  
26 person whatsoever. Any right to such moneys which any claimant  
27 may have shall thereby be transferred against, and shall become the  
28 obligation of, the State.

29 Any holder who has paid moneys to the State Treasurer pursuant  
30 to this article may make payment to any person who appears to  
31 such holder to be entitled thereto. Upon application to the State  
32 Treasurer with proof of such a payment by the holder and that the  
33 payee was entitled thereto, the holder shall be entitled to reimburse-  
34 ment by the State Treasurer.\*

1 \***[2.]**\* \*5.\* This act shall take effect immediately.

69 *nership or other business association subject to the laws of this*  
70 *State, which has been outstanding for more than 7 years from the*  
71 *date of its issuance in the case of a money order or for more than*  
72 *15 years from the date of its issuance in the case of a travelers*  
73 *check, is presumed abandoned, unless the owner has within 7 years*  
74 *in the case of a money order or 15 years in the case of a travelers*  
75 *check corresponded in writing with such corporation, partnership,*  
76 *limited partnership or other business association concerning it, or*  
77 *otherwise indicated an interest as evidenced by a memorandum on*  
78 *file with such corporation, partnership, limited partnership or other*  
79 *business association.*

1     2. This act shall take effect immediately.

---

STATEMENT

Under the provisions of a Federal law effective October 28, 1974 (12 U.S.C. 2503) the proceeds of travelers checks and certain money orders deemed abandoned under State escheat laws are now payable to the state in which they were sold rather than to the state of the principal place of business of the issuing corporation. New Jersey has no specific escheat statute with respect to this property.

This bill would establish a 15-year period of time in the case of travelers checks and a 7-year period in the case of money orders which must elapse before they are deemed "abandoned property" and payable to the State; and such periods are in conformity with the Uniform Disposition of Unclaimed Property Act.

Travelers checks, unlike other forms of personal property, are regularly encashed many years after the date of sale, and an abandonment period of less than 15 years would place an undue burden of processing refund applications on the State Treasurer.

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3155**

with Assembly committee amendments

**STATE OF NEW JERSEY**

DATED: APRIL 14, 1975

The provisions of a recent Federal law (12 U.S.C. 2503) would permit the proceeds of travelers checks and certain money orders deemed abandoned under State escheat laws to escheat to the state in which they were sold rather than to the state of the principal place of business of the issuing corporation. New Jersey has no specific escheat statute with respect to this property; this bill would establish a 15-year period of time in the case of travelers checks, and a 7-year period in the case of money orders, which must elapse before they are deemed abandoned property and are payable to the State. These provisions are in conformity with the Uniformed Disposition of Unclaimed Property Act.

The committee amendments exempt travelers checks and money orders from the absolute escheat law (N. J. S. 2A:37-1 et seq.) with respect to time limitation and notice requirements, and create a repayment provision under the statute when such instruments are redeemed.



SENATE STATE GOVERNMENT AND FEDERAL  
AND INTERSTATE RELATIONS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3155**

[OFFICIAL COPY REPRINT]

---

**STATE OF NEW JERSEY**

---

DATED: MAY 5, 1975

The provisions of a recent Federal law (12 U. S. C. 2503) would permit the proceeds of travelers checks and certain money orders deemed abandoned under State escheat laws to escheat to the state in which they were sold rather than to the state of the principal place of business of the issuing corporation. New Jersey has no specific escheat statute with respect to this property; this bill would establish a 15-year period of time in the case of travelers checks, and a 7-year period in the case of money orders, which must elapse before they are deemed abandoned property and are payable to the State. These provisions are in conformity with the Uniformed Disposition of Unclaimed Property Act.

Travelers checks and money orders are made exempt from the absolute escheat law (N. J. S. 2A:37-1 et seq.) with respect to time limitation and notice requirements. The bill also provides for a repayment provision under the statute when such instruments are redeemed.