

46:30B-106

LEGISLATIVE HISTORY CHECKLIST
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(Unclaimed Property Act--
Clarification)

NJSA: 46:30B-106

LAWS OF: 1995 CHAPTER: 361

BILL NO: A1609

SPONSOR(S): Kramer

DATE INTRODUCED: April 25, 1994

COMMITTEE: ASSEMBLY Judiciary

SENATE: Judiciary

AMENDED DURING PASSAGE: Yes Amendments during passage
Second reprint enacted denoted by superscript numbers

DATE OF PASSAGE: ASSEMBLY: May 22, 1995

SENATE: December 7, 1995

DATE OF APPROVAL: January 5, 1996

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBP:pp

[SECOND REPRINT]
ASSEMBLY, No. 1609

STATE OF NEW JERSEY

INTRODUCED APRIL 25, 1994

By Assemblyman KRAMER

1 AN ACT concerning unclaimed property and amending
2 R.S.46:30B-106.

3

4 BE IT ENACTED *by the Senate and General Assembly of the*
5 *State of New Jersey:*

6 1. R.S.46:30B-106 is amended to read as follows:

7 46:30B-106. Unenforceable agreements. All agreements to
8 pay compensation to locate, deliver, recover, or assist in the
9 recovery of property reported under this chapter, [entered into
10 during the period commencing one year before the property was
11 presumed abandoned and extending to a time that is] made within
12 24 months after the date that the property is paid or delivered to
13 the administrator, are void and unenforceable. [Otherwise, these
14 agreements are valid only if the fee or compensation agreed upon
15 is not more than 20% of the value of the property recovered, the
16 agreement is in writing, signed by the apparent owner, and
17 clearly sets forth the nature and value of the property and the
18 value of the apparent owner's share after the fee or
19 compensation has been deducted. However, nothing in this section
20 shall be construed to prevent an owner from asserting at any time
21 that an agreement to locate property is based upon an excessive
22 or unjust consideration.] ¹Agreements entered into any time
23 after such 24 month period are valid only if the fee or
24 compensation agreed upon is not more than 20% of the value of
25 the property recovered, the agreement is in writing, signed by the
26 apparent owner, and clearly sets forth the nature and value of the
27 property and the value of the apparent owner's share after the
28 fee or compensation has been deducted. ²Agreements entered
29 into before the property was presumed abandoned are valid only
30 if the fee or compensation agreed upon is not more than 35% of
31 the value, the agreement is in writing, signed by the apparent
32 owner, and clearly sets forth the nature and value of the property
33 and the value of the apparent owner's share after the fee or
34 compensation has been deducted.² However, nothing in this
35 section shall be construed to prevent an owner from asserting at
36 any time that an agreement to locate property is based upon an
37 excessive or unjust consideration.¹

38 (cf: P.L.1989, c.58, s.1)

39 2. This act shall take effect immediately.

40

41

42

43

44 Amends the Unclaimed Property Act to make certain agreements
45 enforceable.

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AJL committee amendments adopted January 19, 1995.

² Senate SJU committee amendments adopted June 12, 1995.

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19 compensation has been deducted. However, nothing in this section
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21 that an agreement to locate property is based upon an excessive
22 or unjust consideration.]

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24 2. This act shall take effect immediately.

25

26

27

STATEMENT

28

29 This bill amends the unenforceable agreements section of New
30 Jersey's Unclaimed Property Act to conform to the "Uniform
31 Unclaimed Property Act (1981)" promulgated by the National
32 Conference of Commissioners on Uniform State Laws. As
33 amended by the bill, all agreements to pay a person to recover
34 unclaimed property made within 24 months after the date that
35 the property has been paid or delivered to the administrator are
36 unenforceable.

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39

40

41 Amends the Unclaimed Property Act to make certain agreements
42 unenforceable.

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

Matter underlined thus is new matter.

ASSEMBLY JUDICIARY, LAW AND PUBLIC SAFETY
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1609.

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 19, 1995

The Assembly Judiciary, Law and Public Safety Committee reports favorably and with committee amendments Assembly Bill No. 1609.

This bill amends New Jersey's Unclaimed Property Act concerning those agreements to recover property for a fee which are void and unenforceable. The bill omits agreements to pay compensation to locate, deliver, recover or assist in the recovery of property entered into during the period commencing one year before the property was presumed abandoned from being categorized as unenforceable. Thus, these agreements entered into in the year preceding the time when the property is presumed abandoned would be enforceable under this bill. The committee amendments do not change this provision.

The bill also provided that all agreements to pay a person to recover unclaimed property made within 24 months after the date that the property has been paid or delivered to the administrator are unenforceable. The committee amendments change this provision and permit such agreements after the 24 months if certain conditions are met. The amendments restate the language which provides that agreements entered into any time after the 24 month period are valid only if the fee or compensation agreed upon is not more than 20% of the value of the property recovered, the agreement is in writing, signed by the apparent owner, and clearly sets forth the nature and value of the property and the value of the apparent owner's share after the fee or compensation has been deducted.

SENATE JUDICIARY COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 1609

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 12, 1995

The Senate Judiciary Committee reports favorably and with committee amendments Assembly Bill No. 1609 (1R).

Under New Jersey's Unclaimed Property Act, an agreement to pay compensation to locate, deliver, or recover property held by the State as unclaimed property is void and unenforceable, if the agreement is entered during the period commencing one year before the property is paid to the State and extending to a time 24 months after that date. Agreements entered into during that time period are valid only if the fee or compensation agreed upon is not more than 20% of the value of the property recovered.

As amended by the committee, the bill would provide that such an agreement would be enforceable if the agreement is entered into before the property is presumed abandoned and if the fee or compensation agreed to is not more than 35% of the value of property. Agreements entered into more than 24 months after the property was paid or delivered to the State would be enforceable only if the fee or compensation was set at no more than 20% the value of the property involved. Agreements entered into during the 24 months immediately following the date the property was paid or delivered to the State would be unenforceable.