



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

HB0583

Introduced 01/27/05, by Rep. Randall M. Hultgren

#### SYNOPSIS AS INTRODUCED:

765 ILCS 1025/2

from Ch. 141, par. 102

Amends the Uniform Disposition of Unclaimed Property Act. Excepts from the presumption of abandonment by a financial organization a demand, savings, or matured deposit or a fund paid toward the purchase of withdrawable shares or other interest in a financial organization where the owner has, within 5 years, engaged in the following activity regarding other funds or loan accounts with the banking organization: (i) undertook one or more the of the described actions regarding any account that appears on a consolidated statement with the inactive account; (ii) increased or decreased the amount of funds in any other account the owner has with the banking organization; or (iii) engaged in any other relationship with the banking organization, including payment of any amounts due on a loan. Provides that the exception applies only so long as the mailing address for the owner in the banking organization's books and records is the same for both the inactive account and for the active account.

LRB094 06718 LCB 36817 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Uniform Disposition of Unclaimed Property  
5 Act is amended by changing Section 2 as follows:

6 (765 ILCS 1025/2) (from Ch. 141, par. 102)

7 Sec. 2. Property held by financial organizations;  
8 presumption of abandonment. The following property held or  
9 owing by a banking or financial organization is presumed  
10 abandoned:

11 (a) Any demand, savings, or matured time deposit with a  
12 banking organization, together with any interest or dividend  
13 thereon, excluding any charges that may lawfully be withheld,  
14 unless the owner has, within 5 years:

15 (1) Increased or decreased the amount of the deposit,  
16 or presented the passbook or other similar evidence of the  
17 deposit for the crediting of interest; or

18 (2) Corresponded in writing with the banking  
19 organization concerning the deposit; ~~or~~

20 (3) Otherwise indicated an interest in the deposit as  
21 evidenced by a memorandum on file with the banking  
22 organization; ~~or~~

23 (4) Engaged in the following activity regarding other  
24 funds or loan accounts with the banking organization:

25 (i) undertook one or more the above actions  
26 described in subsection (a) of this Section regarding  
27 any account that appears on a consolidated statement  
28 with the inactive account;

29 (ii) increased or decreased the amount of funds in  
30 any other account the owner has with the banking  
31 organization; or

32 (iii) engaged in any other relationship with the

1           banking organization, including payment of any amounts  
2           due on a loan.

3           The foregoing apply so long as the mailing address for the  
4           owner in the banking organization's books and records is the  
5           same for both the inactive account and for the active account.

6           (b) Any funds paid toward the purchase of withdrawable  
7           shares or other interest in a financial organization, or any  
8           deposit made, and any interest or dividends thereon, excluding  
9           any charges that may be lawfully withheld, unless the owner has  
10          within 5 years:

11           (1) Increased or decreased the amount of the funds, or  
12           deposit, or presented an appropriate record for the  
13           crediting of interest or dividends; or

14           (2) Corresponded in writing with the financial  
15           organization concerning the funds or deposit; ~~or~~

16           (3) Otherwise indicated an interest in the funds or  
17           deposit as evidenced by a memorandum on file with the  
18           financial organization; or.

19           (4) Engaged in the following activity regarding other  
20           funds or loan accounts with the banking organization:

21           (i) undertook one or more the above actions  
22           described in subsection (b) of this Section regarding  
23           any account that appears on a consolidated statement  
24           with the inactive account;

25           (ii) increased or decreased the amount of funds in  
26           any other account the owner has with the banking  
27           organization; or

28           (iii) engaged in any other relationship with the  
29           banking organization, including payment of any amounts  
30           due on a loan.

31           The foregoing apply so long as the mailing address for the  
32           owner in the banking organization's books and records is the  
33           same for both the inactive account and for the active account.

34           (c) Any sum payable on checks or on written instruments on  
35           which a banking or financial organization or business  
36           association is directly liable including, by way of

1 illustration but not of limitation, certificates of deposit,  
2 drafts, money orders and travelers checks, that with the  
3 exception of travelers checks has been outstanding for more  
4 than 5 years from the date it was payable, or from the date of  
5 its issuance if payable on demand, or, in the case of travelers  
6 checks, that has been outstanding for more than 15 years from  
7 the date of its issuance, excluding any charges that may be  
8 lawfully withheld relating to money orders issued by currency  
9 exchanges, unless the owner has within 5 years or within 15  
10 years in the case of travelers checks corresponded in writing  
11 with the banking or financial organization or business  
12 association concerning it, or otherwise indicated an interest  
13 as evidenced by a memorandum on file with the banking or  
14 financial organization or business association.

15 (d) Any funds or other personal property, tangible or  
16 intangible, removed from a safe deposit box or any other  
17 safekeeping repository or agency or collateral deposit box on  
18 which the lease or rental period has expired due to nonpayment  
19 of rental charges or other reason, or any surplus amounts  
20 arising from the sale thereof pursuant to law, that have been  
21 unclaimed by the owner for more than 5 years from the date on  
22 which the lease or rental period expired, subject to lien of  
23 the holder for reimbursement of costs incurred in the opening  
24 of a safe deposit box as determined by the holder's regular  
25 schedule of charges.

26 (e) Notwithstanding any other provision of this Section, no  
27 deposit except passbook, checking, NOW accounts, super NOW  
28 accounts, money market accounts, or such similar accounts as  
29 established by Rule of the State Treasurer, held by a banking  
30 or financial organization shall be presumed abandoned if with  
31 respect to such a deposit which specifies a definite maturity  
32 date, such organization was authorized in writing to extend or  
33 rollover the account for an additional like period and such  
34 organization does so extend. Such deposits are not presumed  
35 abandoned less than 5 years from that final maturity date.  
36 Property of any kind held in an individual retirement account

1 (IRA) is not presumed abandoned earlier than 5 years after the  
2 owner attains the age at which distributions from the account  
3 become mandatory under law.

4 (f) Notwithstanding any other provision of this Section,  
5 money of a minor deposited pursuant to Section 24-21 of the  
6 Probate Act of 1975 shall not be presumed abandoned earlier  
7 than 5 years after the minor attains legal age. Such money  
8 shall be deposited in an account which shall indicate the birth  
9 date of the minor.

10 (Source: P.A. 91-16, eff. 7-1-99; 91-316, eff. 7-29-99; 92-16,  
11 eff. 6-28-01.)