



Sen. Don Harmon

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10000HB3806sam002

LRB100 05230 HEP 41163 a

1 AMENDMENT TO HOUSE BILL 3806

2 AMENDMENT NO. _____. Amend House Bill 3806 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Revised Uniform Unclaimed Property Act is
5 amended by changing Sections 15-201, 15-210, 15-503, 15-603,
6 15-1002.1, 15-1004, 15-1401, and 15-1402 as follows:

7 (765 ILCS 1026/15-201)

8 Sec. 15-201. When property presumed abandoned. Subject to
9 Section 15-210, the following property is presumed abandoned if
10 it is unclaimed by the apparent owner during the period
11 specified below:

12 (1) a traveler's check, 15 years after issuance;

13 (2) a money order, 3 ~~7~~ years after issuance;

14 (3) any instrument on which a financial organization or
15 business association is directly liable, 3 years after
16 issuance;

1 (4) a state or municipal bond, bearer bond, or
2 original-issue-discount bond, 3 years after the earliest
3 of the date the bond matures or is called or the obligation
4 to pay the principal of the bond arises;

5 (5) a debt of a business association, 3 years after the
6 obligation to pay arises;

7 (6) financial organization deposits as follows:

8 (i) a demand deposit, 3 years after the date of the
9 last indication of interest in the property by the
10 apparent owner;

11 (ii) a savings deposit, 3 years after the date of
12 last indication of interest in the property by the
13 apparent owner;

14 (iii) a time deposit for which the owner has not
15 consented to automatic renewal of the time deposit, 5
16 years after the date of last indication of interest in
17 the property by the apparent owner;

18 (iv) an automatically renewable time deposit for
19 which the owner consented to the automatic renewal in a
20 record on file with the holder, 5 years after the date
21 of last indication of interest in the property by the
22 apparent owner, following the completion of the
23 initial term of the time deposit and one automatic
24 renewal term of the time deposit ~~a demand, savings, or~~
25 ~~time deposit, 3 years after the later of maturity or~~
26 ~~the date of the last indication of interest in the~~

1 ~~property by the apparent owner, except for a deposit~~
2 ~~that is automatically renewable, 3 years after its~~
3 ~~initial date of maturity unless the apparent owner~~
4 ~~consented in a record on file with the holder to~~
5 ~~renewal at or about the time of the renewal;~~

6 (7) money or a credit owed to a customer as a result of
7 a retail business transaction, other than in-store credit
8 for returned merchandise, 3 years after the obligation
9 arose;

10 (8) an amount owed by an insurance company on a life or
11 endowment insurance policy or an annuity contract that has
12 matured or terminated, 3 years after the obligation to pay
13 arose under the terms of the policy or contract or, if a
14 policy or contract for which an amount is owed on proof of
15 death has not matured by proof of the death of the insured
16 or annuitant, as follows:

17 (A) with respect to an amount owed on a life or
18 endowment insurance policy, the earlier of:

19 (i) 3 years after the death of the insured; or

20 (ii) 2 years after the insured has attained, or
21 would have attained if living, the limiting age
22 under the mortality table on which the reserve for
23 the policy is based; and

24 (B) with respect to an amount owed on an annuity
25 contract, 3 years after the death of the annuitant.

26 (9) funds on deposit or held in trust pursuant to the

1 Illinois Funeral or Burial Funds Act, the earliest of:

2 (A) 2 years after the date of death of the
3 beneficiary;

4 (B) one year after the date the beneficiary has
5 attained, or would have attained if living, the age of
6 105 where the holder does not know whether the
7 beneficiary is deceased;

8 (C) 40 years after the contract for prepayment was
9 executed;

10 (10) property distributable by a business association
11 in the course of dissolution or distributions from the
12 termination of a retirement plan, one year after the
13 property becomes distributable;

14 (11) property held by a court, including property
15 received as proceeds of a class action, 3 years after the
16 property becomes distributable;

17 (12) property held by a government or governmental
18 subdivision, agency, or instrumentality, including
19 municipal bond interest and unredeemed principal under the
20 administration of a paying agent or indenture trustee, 3
21 years after the property becomes distributable;

22 (13) wages, commissions, bonuses, or reimbursements to
23 which an employee is entitled, or other compensation for
24 personal services, including amounts held on a payroll
25 card, one year after the amount becomes payable;

26 (14) a deposit or refund owed to a subscriber by a

1 utility, one year after the deposit or refund becomes
2 payable, except that any capital credits or patronage
3 capital retired, returned, refunded or tendered to a member
4 of an electric cooperative, as defined in Section 3.4 of
5 the Electric Supplier Act, or a telephone or
6 telecommunications cooperative, as defined in Section
7 13-212 of the Public Utilities Act, that has remained
8 unclaimed by the person appearing on the records of the
9 entitled cooperative for more than 2 years, shall not be
10 subject to, or governed by, any other provisions of this
11 Act, but rather shall be used by the cooperative for the
12 benefit of the general membership of the cooperative; and

13 (15) property not specified in this Section or Sections
14 15-202 through 15-208, the earlier of 3 years after the
15 owner first has a right to demand the property or the
16 obligation to pay or distribute the property arises.

17 Notwithstanding anything to the contrary in this Section
18 15-201, and subject to Section 15-210, a deceased owner cannot
19 indicate interest in his or her property. If the owner is
20 deceased and the abandonment period for the owner's property
21 specified in this Section 15-201 is greater than 2 years, then
22 the property, other than an amount owed by an insurance company
23 on a life or endowment insurance policy or an annuity contract
24 that has matured or terminated, shall instead be presumed
25 abandoned 2 years from the date of the owner's last indication
26 of interest in the property.

1 (Source: P.A. 100-22, eff. 1-1-18; 100-566, eff. 1-1-18.)

2 (765 ILCS 1026/15-210)

3 Sec. 15-210. Indication of apparent owner interest in
4 property.

5 (a) The period after which property is presumed abandoned
6 is measured from the later of:

7 (1) the date the property is presumed abandoned under
8 this Article; or

9 (2) the latest indication of interest by the apparent
10 owner in the property.

11 (b) Under this Act, an indication of an apparent owner's
12 interest in property includes:

13 (1) a record communicated by the apparent owner to the
14 holder or agent of the holder concerning the property or
15 the account in which the property is held;

16 (2) an oral communication by the apparent owner to the
17 holder or agent of the holder concerning the property or
18 the account in which the property is held, if the holder or
19 its agent contemporaneously makes and preserves a record of
20 the fact of the apparent owner's communication;

21 (3) presentment of a check or other instrument of
22 payment of a dividend, interest payment, or other
23 distribution, or evidence of receipt of a distribution made
24 by electronic or similar means, with respect to an account,
25 underlying security, or interest in a business

1 association;

2 (4) activity directed by an apparent owner in the
3 account in which the property is held, including accessing
4 the account or information concerning the account, or a
5 direction by the apparent owner to increase, decrease, or
6 otherwise change the amount or type of property held in the
7 account;

8 (5) a deposit into or withdrawal from an account at a
9 financial organization, except for a recurring Automated
10 Clearing House (ACH) debit ~~or credit~~ previously authorized
11 by the apparent owner, the amount of which remains
12 constant, or an automatic reinvestment of dividends or
13 interest; however, if deposits into and withdrawals from an
14 apparent owner's account at a financial organization are
15 solely ACH transfers, then those transfers shall cease to
16 constitute an indication of the apparent owner's interest
17 in the account 10 years after the first such transfer to or
18 from the account; and

19 (6) subject to subsection (e), payment of a premium on
20 an insurance policy.

21 (c) An action by an agent or other representative of an
22 apparent owner, other than the holder acting as the apparent
23 owner's agent, is presumed to be an action on behalf of the
24 apparent owner.

25 (d) A communication with an apparent owner by a person
26 other than the holder or the holder's representative is not an

1 indication of interest in the property by the apparent owner
2 unless a record of the communication evidences the apparent
3 owner's knowledge of a right to the property.

4 (e) If the insured dies or the insured or beneficiary of an
5 insurance policy otherwise becomes entitled to the proceeds
6 before depletion of the cash surrender value of the policy by
7 operation of an automatic-premium-loan provision or other
8 nonforfeiture provision contained in the policy, the operation
9 does not prevent the policy from maturing or terminating.

10 (f) If the apparent owner has another property with the
11 holder to which Section 201(6) applies, then activity directed
12 by an apparent owner in any other accounts, including loan
13 accounts, at a financial organization holding an inactive
14 account of the apparent owner shall be an indication of
15 interest in all such accounts if:

16 (A) the apparent owner engages in one or more of
17 the following activities:

18 (i) the apparent owner undertakes one or more
19 of the actions described in subsection (b) of this
20 Section regarding any of the other accounts the
21 apparent owner has with the financial organization
22 ~~account that appears on a consolidated statement~~
23 ~~with the inactive account;~~

24 (ii) the apparent owner increases or decreases
25 the amount of funds in any other account the
26 apparent owner has with the financial

1 organization; or

2 (iii) the apparent owner engages in any other
3 relationship with the financial organization,
4 including payment of any amounts due on a loan; and

5 (B) the foregoing apply so long as the mailing
6 address for the apparent owner in the financial
7 organization's books and records is the same for both
8 the inactive account and the active account.

9 (Source: P.A. 100-22, eff. 1-1-18.)

10 (765 ILCS 1026/15-503)

11 Sec. 15-503. Notice by administrator.

12 (a) The administrator shall give notice to an apparent
13 owner that property presumed abandoned and appears to be owned
14 by the apparent owner is held by the administrator under this
15 Act.

16 (b) In providing notice under subsection (a), the
17 administrator shall:

18 (1) except as otherwise provided in paragraph (2), send
19 written notice by first-class United States mail to each
20 apparent owner of property valued at \$100 or more held by
21 the administrator, unless the administrator determines
22 that a mailing by first-class United States mail would not
23 be received by the apparent owner, and, in the case of a
24 security held in an account for which the apparent owner
25 had consented to receiving electronic mail from the holder,

1 send notice by electronic mail if the electronic-mail
2 address of the apparent owner is known to the administrator
3 instead of by first-class United States mail; or

4 (2) send the notice to the apparent owner's
5 electronic-mail address if the administrator does not have
6 a valid United States mail address for an apparent owner,
7 but has an electronic-mail address that the administrator
8 does not know to be invalid.

9 (c) In addition to the notice under subsection (b), the
10 administrator shall:

11 (1) publish every 6 months in at least one English
12 language newspaper of general circulation in each county in
13 this State notice of property held by the administrator
14 which must include:

15 (A) the total value of property received by the
16 administrator during the preceding 6-month period,
17 taken from the reports under Section 15-401;

18 (B) the total value of claims paid by the
19 administrator during the preceding 6-month period;

20 (C) the Internet web address of the unclaimed
21 property website maintained by the administrator;

22 (D) an ~~a telephone number and~~ electronic-mail
23 address to contact the administrator to inquire about
24 or claim property; and

25 (E) a statement that a person may access the
26 Internet by a computer to search for unclaimed property

1 and a computer may be available as a service to the
2 public at a local public library.

3 (2) The administrator shall maintain a website
4 accessible by the public and electronically searchable
5 which contains the names reported to the administrator of
6 apparent owners for whom property is being held by the
7 administrator. The administrator need not list property on
8 such website when: no owner name was reported, a claim has
9 been initiated or is pending for the property, the
10 administrator has made direct contact with the apparent
11 owner of the property, and in other instances where the
12 administrator reasonably believes exclusion of the
13 property is in the best interests of both the State and the
14 owner of the property.

15 (d) The website or database maintained under subsection
16 (c) (2) must include instructions for filing with the
17 administrator a claim to property and an online claim form with
18 instructions. The website may also provide a printable claim
19 form with instructions for its use.

20 (e) Tax return identification of apparent owners of
21 abandoned property.

22 (1) At least annually the administrator shall notify
23 the Department of Revenue of the names of persons appearing
24 to be owners of abandoned property under this Section. The
25 administrator shall also provide to the Department of
26 Revenue the social security numbers of the persons, if

1 available. The administrator does not need to notify the
2 Department of Revenue of the names or social security
3 numbers of apparent owners of abandoned property if he or
4 she reasonably believes that the Department of Revenue will
5 be unable to provide information that would provide
6 sufficient evidence to establish that the person in the
7 Department of Revenue's records is the apparent owner of
8 unclaimed property in the custody of the administrator.

9 (2) The Department of Revenue shall notify the
10 administrator if any person under subsection (e)(1) has
11 filed an Illinois income tax return and shall provide the
12 administrator with the last known address of the person as
13 it appears in Department of Revenue records, except as
14 prohibited by federal law. The Department of Revenue may
15 also provide additional addresses for the same taxpayer
16 from the records of the Department, except as prohibited by
17 federal law.

18 (3) In order to facilitate the return of property under
19 this subsection, the administrator and the Department of
20 Revenue may enter into an interagency agreement concerning
21 protection of confidential information, data match rules,
22 and other issues.

23 (4) The administrator may deliver, as provided under
24 Section 15-904 of this Act, property or pay the amount
25 owing to a person matched under this Section without the
26 person filing a claim under Section 15-903 of this Act if

1 the following conditions are met:

2 (A) the value of the property that is owed the
3 person is \$2,000 or less;

4 (B) the property is not either tangible property or
5 securities;

6 (C) the last known address for the person according
7 to the Department of Revenue records is less than 12
8 months old; and

9 (D) the administrator has evidence sufficient to
10 establish that the person who appears in Department of
11 Revenue records is the owner of the property and the
12 owner currently resides at the last known address from
13 the Department of Revenue.

14 (5) If the value of the property that is owed the
15 person is greater than \$2,000, or is tangible property or
16 securities the administrator shall provide notice to the
17 person, informing the person that he or she is the owner of
18 abandoned property held by the State and may file a claim
19 with the administrator for return of the property.

20 (f) The administrator may use additional databases to
21 verify the identity of the person and that the person currently
22 resides at the last known address. The administrator may
23 utilize publicly and commercially available databases to find
24 and update or add information for apparent owners of property
25 held by the administrator.

26 (g) In addition to giving notice under subsection (b),

1 publishing the information under subsection (c)(1) and
2 maintaining the website or database under subsection (c)(2),
3 the administrator may use other printed publication,
4 telecommunication, the Internet, or other media to inform the
5 public of the existence of unclaimed property held by the
6 administrator.

7 (Source: P.A. 100-22, eff. 1-1-18; 100-566, eff. 1-1-18.)

8 (765 ILCS 1026/15-603)

9 Sec. 15-603. Payment or delivery of property to
10 administrator.

11 (a) Except as otherwise provided in this Section, on filing
12 a report under Section 15-401, the holder shall pay or deliver
13 to the administrator the property described in the report.

14 (b) If property in a report under Section 15-401 is an
15 automatically renewable time deposit and the holder determines
16 that a penalty or forfeiture in the payment of interest would
17 result from paying the deposit to the administrator at the time
18 of the report, the date for reporting and delivering ~~payment of~~
19 the property to the administrator is extended until a penalty
20 or forfeiture no longer would result from delivery of the
21 property to the administrator. The holder shall report and
22 deliver the property on the next regular date prescribed for
23 reporting by the holder under this Act after this extended
24 date, and the holder shall indicate in its report to the
25 administrator that the property is being reported on an

1 extended date pursuant to this subsection (b). ~~payment, if the~~
2 ~~holder informs the administrator of the extended date.~~

3 (c) Tangible property in a safe-deposit box may not be
4 delivered to the administrator until a mutually agreed upon
5 date that is no sooner than 60 days after filing the report
6 under Section 15-401.

7 (d) If property reported to the administrator under Section
8 15-401 is a security, the administrator may:

9 (1) make an endorsement, instruction, or entitlement
10 order on behalf of the apparent owner to invoke the duty of
11 the issuer, its transfer agent, or the securities
12 intermediary to transfer the security; or

13 (2) dispose of the security under Section 15-702.

14 (e) If the holder of property reported to the administrator
15 under Section 15-401 is the issuer of a certificated security,
16 the administrator may obtain a replacement certificate in
17 physical or book-entry form under Section 8-405 of the Uniform
18 Commercial Code. An indemnity bond is not required.

19 (f) The administrator shall establish procedures for the
20 registration, issuance, method of delivery, transfer, and
21 maintenance of securities delivered to the administrator by a
22 holder.

23 (g) An issuer, holder, and transfer agent or other person
24 acting in good faith under this Section under instructions of
25 and on behalf of the issuer or holder is not liable to the
26 apparent owner for a claim arising with respect to property

1 after the property has been delivered to the administrator.

2 (h) A holder is not required to deliver to the
3 administrator a security identified by the holder as a
4 non-freely transferable security in a report filed under
5 Section 15-401. If the administrator or holder determines that
6 a security is no longer a non-freely transferable security, the
7 holder shall report and deliver the security on the next
8 regular date prescribed for delivery of securities by the
9 holder under this Act. The holder shall make a determination
10 annually whether a security identified in a report filed under
11 Section 15-401 as a non-freely transferable security is no
12 longer a non-freely transferable security.

13 (Source: P.A. 100-22, eff. 1-1-18.)

14 (765 ILCS 1026/15-1002.1)

15 Sec. 15-1002.1. Examination of State-regulated financial
16 organizations.

17 (a) Notwithstanding Section 15-1002 of this Act, for any
18 financial organization for which the Department of Financial
19 and Professional Regulation is the primary prudential
20 regulator, the administrator shall not examine such financial
21 institution unless the administrator has consulted with the
22 Secretary of Financial and Professional Regulation and the
23 Department of Financial and Professional Regulation has not
24 examined such financial organization for compliance with this
25 Act within the past 5 years. The Secretary of Financial and

1 Professional Regulation may waive in writing the provisions of
2 this subsection (a) in order to permit the administrator to
3 examine a financial organization or group of financial
4 organizations for compliance with this Act.

5 (b) Nothing in this Section shall be construed to prohibit
6 the administrator from examining a financial organization for
7 which the Department of Financial and Professional Regulation
8 is not the primary prudential regulator. Further, nothing in ~~is~~
9 this Act shall be construed to limit the authority of the
10 Department of Financial and Professional Regulation to examine
11 financial organizations.

12 (Source: P.A. 100-22, eff. 1-1-18; 100-566, eff. 1-1-18.)

13 (765 ILCS 1026/15-1004)

14 Sec. 15-1004. Records obtained in examination. Records
15 obtained and records, including work papers, compiled by the
16 administrator or administrator's agent in the course of
17 conducting an examination under Section 15-1002 or Section
18 15-1002.1:

19 (1) are subject to the confidentiality and security
20 provisions of Article 14 and are exempt from disclosure
21 under the Freedom of Information Act;

22 (2) may be used by the administrator in an action to
23 collect property or otherwise enforce this Act;

24 (3) may be used in a joint examination conducted with
25 another state, the United States, a foreign country or

1 subordinate unit of a foreign country, or any other
2 governmental entity if the governmental entity conducting
3 the examination is legally bound to maintain the
4 confidentiality and security of information obtained from
5 a person subject to examination in a manner substantially
6 equivalent to Article 14;

7 (4) may be disclosed, on request, to the person that
8 administers the unclaimed property law of another state for
9 that state's use in circumstances equivalent to
10 circumstances described in this Article, if the other state
11 is required to maintain the confidentiality and security of
12 information obtained in a manner substantially equivalent
13 to Article 14;

14 (5) must be produced by the administrator under an
15 administrative or judicial subpoena or administrative or
16 court order; and

17 (6) must be produced by the administrator on request of
18 the person subject to the examination in an administrative
19 or judicial proceeding relating to the property.

20 (Source: P.A. 100-22, eff. 1-1-18.)

21 (765 ILCS 1026/15-1401)

22 Sec. 15-1401. Confidential information.

23 (a) Except as otherwise provided in this Section,
24 information that is confidential under law of this State other
25 than this Act, another state, or the United States, including

1 "private information" as defined in the Freedom of Information
2 Act and "personal information" as defined in the Personal
3 Information Protection Act, continues to be confidential when
4 disclosed or delivered under this Act to the administrator or
5 administrator's agent.

6 (b) Information provided in reports filed pursuant to
7 Section 15-401, information obtained in the course of an
8 examination pursuant to Section 15-1002 or Section 15-1002.1,
9 and the database required by Section 15-503 is exempt from
10 disclosure under the Freedom of Information Act.

11 (c) If reasonably necessary to enforce or implement this
12 Act, the administrator or the administrator's agent may
13 disclose confidential information concerning property held by
14 the administrator or the administrator's agent to:

15 (1) an apparent owner or the apparent owner's
16 representative under the Probate Act of 1975, attorney,
17 other legal representative, or relative;

18 (2) the representative under the Probate Act of 1975,
19 other legal representative, relative of a deceased
20 apparent owner, or a person entitled to inherit from the
21 deceased apparent owner;

22 (3) another department or agency of this State or the
23 United States;

24 (4) the person that administers the unclaimed property
25 law of another state, if the other state accords
26 substantially reciprocal privileges to the administrator

1 of this State if the other state is required to maintain
2 the confidentiality and security of information obtained
3 in a manner substantially equivalent to Article 14;

4 (5) a person subject to an examination as required by
5 Section 15-1004; and

6 (6) an agent of the administrator.

7 (d) The administrator may include on the website or in the
8 database the names and addresses of apparent owners of property
9 held by the administrator as provided in Section 15-503. The
10 administrator may include in published notices, printed
11 publications, telecommunications, the Internet, or other media
12 and on the website or in the database additional information
13 concerning the apparent owner's property if the administrator
14 believes the information will assist in identifying and
15 returning property to the owner and does not disclose personal
16 information as defined in the Personal Information Protection
17 Act.

18 (e) The administrator and the administrator's agent may not
19 use confidential information provided to them or in their
20 possession except as expressly authorized by this Act or
21 required by law other than this Act.

22 (Source: P.A. 100-22, eff. 1-1-18; 100-566, eff. 1-1-18.)

23 (765 ILCS 1026/15-1402)

24 Sec. 15-1402. Confidentiality agreement. A person to be
25 examined under Section 15-1002 or Section 15-1002.1 may

1 require, as a condition of disclosure of the records of the
2 person to be examined, that the administrator or the
3 administrator's agent execute and deliver to the person to be
4 examined a confidentiality agreement that:

5 (1) is in a form that is reasonably satisfactory to the
6 administrator; and

7 (2) requires the person having access to the records to
8 comply with the provisions of this Article applicable to
9 the person.

10 (Source: P.A. 100-22, eff. 1-1-18.)

11 Section 99. Effective date. This Act takes effect upon
12 becoming law."