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A Few Facts About

THE UNIFORM UNCLAIMED PROPERTY ACT (1995)

PURPOSE: This act provides a system for transferring intangible personal property and personal property in safety deposit accounts, held by an entity or person other than the rightful owner, to the State when it is deemed abandoned by the rightful owner. The State holds the property for the rightful owner in perpetuity.

ORIGIN: Completed by the Uniform Law Commissioners in 1995. This Act supersedes the Uniform Disposition of Unclaimed Property Act of 1954 and the Uniform Unclaimed Property Act of 1981.

APPROVED BY: American Bar Association

STATE ADOPTIONS:

Alabama
Arizona
Arkansas
Indiana
Kansas
Louisiana
Maine
Montana
New Mexico
North Carolina
West Virginia

2007 INTRODUCTIONS: Nevada

For any further information regarding the Uniform Unclaimed Property Act, please contact John McCabe or Katie Robinson at 312-915-0195.

(3/5/07)

Assembly committee: Judiciary
Exhibit D P.__ of __ Date 5/10/07
Submitted by: Senator Terry Care

Should You Revise Your Unclaimed Property Law?

Comedian W.C. Fields was phobic about theft and poverty. His answer? The actor opened bank accounts almost wherever he performed—from major cities to the farmers' bank in the corner of a small-town feed store.

When Fields died in 1946, friends believed much of his wealth, tucked away in tiny pockets of America, was never found. That money—classified as "abandoned property"—ultimately reverted to the banks since there was no one to claim it.

Just after World War II, states started adopting statutes designed to protect absentee owners or heirs who might later appear to claim such property. The laws also stopped holders such as banks from simply retaining it. These laws were melded in 1954 by the Uniform Law Commissioners (ULC) into a model act—the Uniform Disposition of Unclaimed Property Act, casually known as the "W.C. Fields Act." The law lays down rules for determining when property is actually abandoned and for transferring it to the state. It also provides procedures by which owners can claim the property.

The law helps streamline the process by which states are able to step in and claim such property as stock dividend checks, gift certificates, unclaimed racetrack winnings, insurance money and other abandoned intangible property and hold it in trust for the owners, returning it when possible. The windfall of unreturned money goes to the state general fund.

And the windfalls have been bounteous: Arizona had $14 million worth of abandoned property in FY 1994 of which $4 million was claimed; California, $278 million, $81 million claimed; Illinois, $72 million, $18 million claimed; Tennessee, $20 million, $2 million claimed; and Washington, $24 million with $7 million claimed, according to the National Association of Unclaimed Property Administrators.

Now that 1954 uniform act has been revised several times over the years to meet modern case law and Supreme Court requirements.

The recent 1995 revisions clarify the provision that unclaimed intangible property is payable to the state in which the last known address of the owner was located, according to John McCabe, ULC legislative director.

The revisions also reduce abandonment periods for corporate stock (from seven to five years), gift certificates (from five to three years) and certain kinds of insurance, which had five- and two-year periods of abandonment that have now been set at three.

McCabe said that the ULC law and current revisions have "revolutionized property law in the favor of unsuspecting property owners while benefiting state treasuries as an extraordinary and almost unsuspected side benefit."

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WHY EVERY STATE SHOULD ADOPT THE UNIFORM UNCLAIMED PROPERTY ACT (1995)

What is unclaimed property? It is bank accounts, insurance proceeds, old traveler's checks, stock holdings, and even the proceeds from winning parimutuel tickets. What unites these different kinds of property is the fact that the person to whom they are owed has never come forward to collect them and cannot be readily found. If the owner does not come forward or is not found, the holder gets to keep the property, and worse, may dissipate the property through service charges and the like.

This problem is not new. The Uniform Disposition of Unclaimed Property Act was promulgated by the Uniform Law Commissioners (ULC) in 1954 and adopted in 32 states. The ULC then went on to promulgate the Uniform Unclaimed Property Act in 1981, which was enacted in 27 states.

These acts were drafted to prevent people – ordinary people, for the most part – from losing their rights to property that is justifiably theirs. It is theirs because they earned it, inherited it, or were given it. Those entities and institutions that hold property are its custodians, not its owners. They benefit at the expense of others if there is no proper statute governing the custody of unclaimed property.

The institutions that hold property are debtors. The real owners are the creditors. Safeguarding unclaimed property is a matter of protecting creditor's rights. If there is no unclaimed property legislation, debtors receive an unearned, undeserved windfall.

To better protect property owners, the ULC has once again visited this subject. The Uniform Unclaimed Property Act (UUPA) was revised in 1995. This new act will streamline the process by which states and holders deal with abandoned property.

Why should states adopt the Uniform Unclaimed Property Act of 1995? There are a number of reasons.

REVENUE

The state is the custodian for unclaimed property under the UUPA (1995). Unclaimed property, as long as the owner does not claim it, becomes available to the state as a source of revenue. According to the National Association of Unclaimed Property Administrators, in 1994 California collected $277 million in unclaimed property (of which $81 million was claimed); Illinois collected $72 million ($18 million claimed); and Washington $23 million ($7 million claimed), an example of revenue benefits.

UNCLAIMED PROPERTY IS PRESERVED FOR OWNERS

The state benefits from unclaimed property only because it acts as the perpetual custodian for the real owners. If at any time a rightful owner comes forward to claim property, the state must transfer it to the rightful owner.

JURISDICTIONAL CONFLICTS

UUPA (1995) conforms to the latest U.S. Supreme Court cases on jurisdiction over unclaimed property. Consistent with the Supreme Court's decisions in *Texas v. New Jersey* and *Delaware v. New York*, UUPA (1995) clarifies that unclaimed intangible property is payable to the state of the owner's last known address. In those instances where that information is unknown, or the state of the owner's last known address does not assert a claim to the property, it is payable to the state of the holder.

SIMPLIFICATION

The new act clarifies the definition of intangible property, and removes ambiguities over the meaning of "last known address." "Last known address" is no longer defined in the act. Instead, the sections dealing with the jurisdictional rules are rewritten so that they define, individually, the rules of the states' priorities of taking.

PERIODS OF ABANDONMENT SHORTENED

The periods of time after which abandonment will be presumed have been reduced in some instances: corporate stock, from seven to five years; gift certificates, from five to three years. Certain life insurance obligations had five-year and two-year periods of abandonment; these have been unified at three years. UUPA provides in a single, unified section for all the various periods of abandonment that were separately stated in several sections of the 1981 act.

ENFORCEMENT

The UUPA (1995) improves collection of unclaimed property over the previous acts. Reporting procedures are improved so that administrators can keep better track of property that becomes unclaimed property. It also increases the penalties for non-compliance and adds rules of confidentiality.

INTERSTATE COOPERATION

The UUPA (1995) provides enacting states with the power and procedures to cooperate with each other in the administration of unclaimed property. Cooperation among states is essential if abandoned property programs are to be efficiently administered.

UNIFORMITY

Since 1981, states have become more aware of the benefits to be derived from the collection of unclaimed property, and have thus enacted numerous changes to their unclaimed property laws to make it easier to enhance their collections. Some amendments have advanced the time at which unclaimed property is presumed to be abandoned, and other amendments have sought to reach property that was not clearly classified as presumptively abandoned under existing legislation. The result has been to create a serious lack of uniformity among the states' laws, a situation objected to by states and holders alike.

Because of the interstate character of abandoned property law, it is clear that every state should adopt the Uniform Unclaimed Property Act (1995).

RECEIVED

The Uniform Unclaimed Property Act (1995)

Proposed revisions to abandoned property laws are expected to result in increasing the $2 billion in property now remitted annually to the states.

By Todd R. Stimmel

The Uniform Unclaimed Property Act, a model law that embodies the rules and procedures requiring companies to report abandoned property, also known as the escheat laws, was revised in the summer of 1995 and will be published in early 1996. The new act is entitled the Uniform Unclaimed Property Act (1995) and is the result of a two-year effort by the Conference of Commissioners on Uniform State Laws, an organization made up of representatives from each of the states whose function it is to propose model laws for use by the states. The conference worked together with the National Association of Unclaimed Property Administrators (NAUPA), a trade association of state officials, and other interested industry groups to revise the 1981 Uniform Act, which is the basis for more than half of the states' abandoned property statutes, to propose revisions for consideration by the conference. The 1995 Uniform Act will not become law in any state until adopted in part or in whole by the state legislature. Indiana was the first state to adopt the new 1995 Uniform Act, effective in 1996. The purpose of this article is explain the proposed changes in the uniform law.

The abandoned property statutes apply not only to private business enterprise but also to state and local government agencies that write checks, maintain account balances, or hold funds in escrow. Virtually every company and government entity has abandoned property and is required to file reports with the states annually. Industry experts estimate that the $2 billion in abandoned property remitted annually to the states is a small percentage of the actual property considered abandoned and reportable to the states. (See Exhibit 1.) Indeed, states already have progressively shortened the dormancy period required to presume that property is abandoned, based on the general acceptance of the notion that it is much easier to locate missing owners after a shorter period subsequent to their becoming "lost." Given the shrinking resources available to state governments and a widespread antitax climate, it is likely that nontax revenue-generating programs like abandoned property will be not only fully embraced by the states but expanded and strengthened.

History and Concepts

The concepts underlying abandoned property law can be traced back to British common law, when abandoned land was returned to the king as a matter of right. The permanent transfer of property rights to the king was called escheat. In the United States, where the concept has been adapted to apply to intangible personal assets, such as salary checks, bank account balances, and securities, the states receive abandoned property instead of the king. The states do not take permanent possession as did the king but act as custodian of the property in perpetuity on behalf of the rightful owner.

The abandoned property laws have three goals:

- to reunite lost owners with the property that is rightfully theirs,
- to protect the holder of abandoned property from subsequent claims by the owner after the property was transferred to the state, and
- to ensure that any economic windfall is for the benefit of the state and its citizens and not for the holder.

Every company and state and local government entity is required to make annual reports of property owing to third parties. The failure to make such reports subjects the holder of the property to interest and penalties. The act has been revised by the conference about every 10 years beginning in 1954 with the first Uniform Act publication. A 1981 revision is the basis for the majority of states' laws presently in use today.

Types of Abandoned Properties

In general, property subject to these laws can be separated into two broad categories: securities-related property and general ledger property. All companies and government entities are responsible for complying with the statutes even if their records are maintained by third-party administrators (TPAs), such as transfer agents, indenture trustees, and pension or benefits administrators, etc. A holder is not relieved from liability because its transfer agent was handling its abandoned property compliance.

Examples of equity securities include shares of stocks and dividends. Typically, the dormancy period for shares of stock that pay a dividend begins at the date of issuance of the first dividend check. The 1981 Uniform Act requires remittance of underlying shares if at least seven consecutive dividends have not been claimed by the owner over a period of at least seven years. The majority of the states have reduced the dormancy period to five years, some to three years.

The 1995 Uniform Act establishes the general presumption of abandonment for all equity securities at five years. For dividend-paying stock, the dormancy period will commence after the failure to deliver or cash the first dividend check; for nondividend-paying stock, the period will commence following the return of the second mailing to the owner or an earlier

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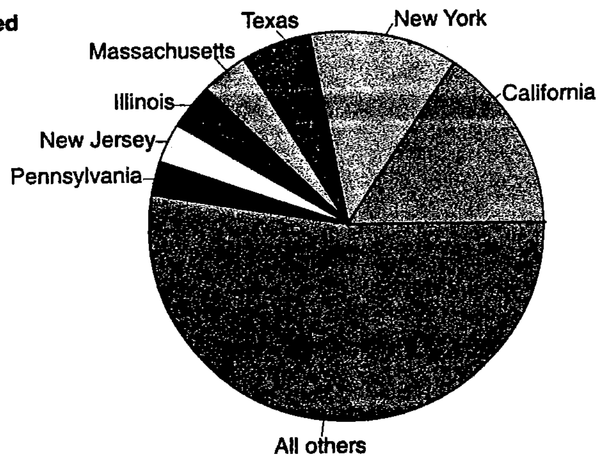
Exhibit 1
ESTIMATED PROPERTY REMITTED TO STATES

State	Estimated Property Remitted (millions)
California	$278
New York	285
Texas	120
Massachusetts	78
Illinois	72
New Jersey	55
Pennsylvania	44
All others	1,068
Total	**$2,000**



Figures are based on and extrapolated from data reported to the National Association of Unclaimed Property Administrators (NAUPA) by approximately half of the states and by the State of New York. It is not clear from the data reported to NAUPA whether each state reports securities that are not immediately liquidated as well as cash. States included in chart are top seven states where dollar value of remitted property was reported.

time when the holder discontinues the mailings.

Abandoned Debt Securities: Bonds

Under the 1981 Uniform Act, debt obligations are presumed abandoned if they are unclaimed for a specified number of years after maturity or redemption. Most states have dormancy periods of five or seven years. Unlike the treatment of dividends and stocks, bond principal is not presumed abandoned because the interest became abandoned. The 1995 Uniform Act treats registered current pay debt the same as equity securities. That is, once interest is presumed abandoned, the underlying principal also is presumed abandoned even if the consequence is that the principal is presumed abandoned prior to maturity. Debt obligations other than bearer bonds and zero-coupon bonds are presumed abandoned five years after the return of the last unclaimed interest check.

In general, municipal bonds are administered by a paying agent, such as a commercial bank or trust company. Under the 1995 Uniform Act, an entity that issues a debt security is considered the holder and the bank acts merely as the agent. Therefore, it is the issuer who is responsible for complying with the applicable abandoned property laws and not the paying agent. It is quite possible for the issuer to contract with the paying agent to provide the reporting service. This outsourcing to the agent, however, does not relieve the issuer from liability for interest and penalties due to the agent's failure to perform. For this reason, it is essential that issuers of public debt develop procedures—on their own or with their paying agent—to identify and report abandoned property.

Unexchanged shares and related uncashed dividends are reportable as abandoned property if the untendered shares remain outstanding for a specified number of years. The dormancy period is generally three to seven years. The presumption of abandonment begins on the date of last contact with the owner, which may be a date earlier than the exchange offer, such as a prior uncashed dividend.

General Ledger Property

Items that appear on the company's general ledger are often overlooked by companies when reporting abandoned property. Examples of general ledger property include payroll, vendor checks, advance deposits, credit balances, gift certificates, insurance proceeds, and prepaid credit cards and other balances. The dormancy period for general ledger property differs from state to state.

It is often the case that individuals fail to collect their last check, bonus, or commission because it is computed after their departure. Regular payroll checks also go uncashed. The dormancy periods for wages is one year under the 1981 Uniform Act and is unchanged in the 1995 Uniform Act.

Any insurance proceed that is not collected by the owner after a specified period of time is considered abandoned. For instance, monies held and owing by life insurance companies unclaimed and unpaid longer that seven years after they become due and payable are considered abandoned. Under the 1981 Uniform Act, the dormancy period of a life insurance policy not matured by actual proof of death of the insured commences at the mortality table age. The dormancy period for all insurance proceeds is reduced from seven to three years, and an insurance check is *prima facie* evidence of a property right that may have become abandoned.

Disbursements from retirement plans is another area of general ledger property that often is overlooked by holders. Under the 1981 Uniform Act, if a pension holder fails to start withdrawing funds by age 70½, subsequent withdrawals are subject to tax penalties, and therefore it is presumed that the owner is lost, and the dormancy period commences. Uncashed disbursement checks are treated similarly to other uncashed checks. The 1995 Uniform Act establishes the presumption of abandonment of pension and IRA assets occurs three years after the earliest of 1) the date of attempted distribution, 2) the date of required distribution, or 3) the date if determinable by the holder, specified in the income tax laws of the United States by which distribution of the property must begin in order to avoid tax penalty.

In some instances, one or more of these items is managed by a TPA on behalf of the company. In many cases, a company writes a check for the full amount of the obligation being managed by the TPA, which keeps the residual amount not claimed by the owners. Unless a company specifically requests the TPA to report and remit abandoned property, it is unlikely that the required reporting is occurring. Since it is the responsibility of the holder to file the necessary abandoned property reports, the

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holder also should institute a practice with the TPA for the return of unclaimed funds to the company on a timely basis. In recognition of the widespread existence of TPAs, the 1995 Uniform Act contains a provision that permits a state to examine the books and records of TPAs as well as other holders.

The 1995 Uniform Act also contains many other significant changes. Mineral rights are now considered property subject to the abandoned property laws. The use of locator/heir finder services are prohibited for the period commencing with presumed abandonment until two years after delivery of property to the state. Dormancy service charges now are limited to those generally enforced and not subsequently waived. Reports now must include Social Security number or tax identification number (TIN) if known or accessible. Property will be remitted at the same time as the written reports are filed rather than reporting in the spring and remitting in the fall. The statute of limitations will commence only after a proper report has been filed and the state publication requirement is reduced to one time.

The magnitude of penalties and interest for noncompliance increases significantly under the new laws. Holders now are subject to a maximum of a $5,000 penalty for inadvertent failure to report property and up to $25,000 plus 25 percent of the value of the property for willful failure to report property. Interest on unreported property under the new act is 12 percent of the value of the property calculated from the initial date of obligation.

Outsourcing

Holders of abandoned property have increasingly complained that the failure of the states to follow a single set of rules in their approach to reporting abandoned property represents a significant impediment to holder compliance with the state's abandoned property statutes. Many holders of abandoned property now are electing to outsource abandoned property compliance. This often allows them to eliminate substantial overhead expenses, such as the highly specialized legal, administrative, and data-processing capabilities required to fulfill this area of statutory compliance. □

Todd R. Stimmel, *chairman and chief executive officer of The National Abandoned Property Processing Corporation (NAPPCO), was an advisor to the Unclaimed Property Drafting Committee of the Conference of Commissioners on Uniform State Laws. NAPPCO provides comprehensive abandoned property outsource services. For companies reporting any particular category of property for the first time, NAPPCO generally provides its services and prepares the required reports for all states at no charge to the company because NAPPCO receives its fees from the states. After a company becomes fully current in its reporting, NAPPCO offers annual reporting services, on a fee basis, to ensure continuing compliance with state abandoned property laws. A recent publication,* The Little Book about Abandoned Property, *provides a brief discussion of the history of abandoned property law as well as the new 1995 Uniform Act. It can be obtained by calling NAPPCO at 212/826-8370.*

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UNIFORM UNCLAIMED PROPERTY ACT (1995)

-A SUMMARY-

If an individual abandons an automobile on a street in almost any city in the United States, it is generally a problem of litter, of junk. Nobody is likely to want it, although abandonment provides another person with the opportunity to take it if that person wants to do so. Abandonment implies opportunity to others – an opportunity that most people don't bother about.

The law of abandoned property is an infrequently visited corner of American property law. There is some concern over abandoned real property interests, and most of the rules governing personal property are derived from real property law. An automobile is tangible personal property. There is very little concern for tangible personal property, except in statutes and ordinances pertaining to clearing away junk and trash.

But abandonment of intangible personal property raises significant public policy concerns. An example of intangible personal property is a share of stock. We cannot see, touch, taste, or hear a share of stock. It is a property right in an intangible, created-by-law entity called a corporation. What we can see and feel, if the share of stock is certificated, is the paper certificate which represents the property rights in the corporation. If the share is uncertificated, we do not even have the paper representation and must depend upon statements of issuers as evidence of ownership.

Other kinds of intangible property are bank accounts, traveler's checks, insurance proceeds, and other investment securities. To list these items of intangible property is to suggest their importance and value. Huge amounts of money are involved.

Besides the values involved, there is another characteristic of most kinds of intangible personal property that makes abandonment rules very important. Most kinds of valuable intangible personal property interests are held in the owners' names by other entities – the holders. The assets in a bank account are not held by the owner, but by the owner's bank. Some entity other than the owner actually possesses the intangible property when and if it is abandoned by its rightful owner. That entity is in position to assume title to abandoned intangible personal property virtually by doing nothing except to continue to hold it. In fact, it is possible to surmise that a holding institution for intangible personal property can find doing nothing with its customers' property and communicating as little as possible with its customers to be lucrative silence.

The problem of "lucrative silence" motivated the Uniform Law Commissioners (ULC) to promulgate the Uniform Disposition of Unclaimed Property Act in 1954. It was amended in 1966 and then was wholly revised in 1981 to become the Uniform Unclaimed Property Act (UUPA). In 1995, the Uniform Law Commissioners have once again revised the UUPA. It updates UUPA (1981) and should greatly assist the States in dealing with the unclaimed intangible personal property problem.

UUPA (1995) and its predecessor Acts are designed to change the common law and the law of escheat pertaining to abandoned intangible personal property. A finding of abandonment of property requires some evidence of intent to relinquish title to that property, usually a period of time during which the owner shows no interest in the property, does nothing with the property, gives up possession of the property, does nothing to control other people's use of the property, pays no assessed taxes on the property, and/or generally indicates an intent to relinquish possession and control. Abandoned property is usually available to the next person who assumes possession and control.

The common law calculus is complicated by the notion of escheat. If a person dies without heirs, property ultimately devolves or escheats to the State. Many States historically treated valuable abandoned property as property devolving at death to the State. The period of time that accrues for a determination of abandonment was treated as raising a presumption of death, making the State the ultimate heir upon its probate. There are a few States which still retain vestiges of this escheat notion.

UUPA (1995) and its predecessors essentially abolish the common law on abandoned property and significantly change the escheat notion for intangible personal property. Intangible personal property that is unclaimed (the term that succeeds abandoned) does not escheat to the State nor is it available for anyone who can assert possession and control over it, but is transferred to the State as a permanent custodian for its owners. The State keeps the property or the proceeds from its sale for its owners.

The scheme of UUPA (1995) and its predecessors is fairly simple. Its rules determine when eligible property is unclaimed. Once property may be identified as unclaimed, the holder is required to report that property to the state unclaimed property administrator. After the report is made, and notice to owners is formally attempted by the holder, the property is transferred to the unclaimed property administrator.

The administrator once again attempts notice to owners. Cash goes into the state general fund. Non-cash is held for a period of time and then sold. The administrator maintains a fund from which owners can make claims for payment. A claims procedure is provided for owners to make their claims.

Since unclaimed property administration is an interstate problem, the Uniform Acts have provided the States with authority to work with each other and to cooperate in the collection and holding of unclaimed property.

UUPA (1995) retains the basic scheme. What does it update? The first issue it addresses is the jurisdiction issue. Holders and owners may be in different States (which is the principal justification for a Uniform Act on this subject). The basic rule as of UUPA (1981) is that the owner's State is the State entitled to custody over unclaimed property. If that State cannot be ascertained, the holder's State is entitled to custody. These rules respond to constitutional decisions prior to 1981.

UUPA (1995) does not change the basic rule, but provides specific rules to meet the test of *Delaware v. New York*, 113 S.Ct. 1550, decided in 1993. That case dealt with interests in investment securities for which no owner's address could be ascertained. The question it decided was whether the State that was the domicile of the issuing corporation, or the State which was the intermediary's (broker's, transfer agent's, depository's) domicile was entitled to the property. The U.S. Supreme Court decided that the intermediary's domicile prevails. UUPA (1995) meets the test of this case as UUPA (1981) did and could not.

Abandonment of property is a concept of time - the time during which the owner shows no interest in the property, takes no action to maintain its possession and control, and refrains from communicating with a holder - in the case of intangible personal property. The original Uniform Act provided a basic time of seven years for the evidence of abandonment to accrue, but had an array of time periods for different property. Traveler's checks required fifteen years (and continues to do so in UUPA 1995) before abandonment occurs. Unclaimed proceeds from the dissolution of a business entity became abandoned within two years.

In 1981, the basic period of time was reduced from seven to five years. Specific property continued to be treated separately, and some of the specific abandonment periods were reduced. There were new items of intangible property added like unclaimed wages, which were presumed abandoned after only one year.

UUPA (1995) retains the basic five years, but revises some of the periods for specific property. For example, an unclaimed stock dividend will be presumed abandoned after five years rather than seven years under UUPA (1981). The time for gift certificates and retail credits or refunds is reduced from five years to three years. Proceeds on insurance policies are considered abandoned after three years rather than five or two years. IRA and similar tax-deferred retirement plan distributions go from five to three years. For these specific assets, lack of activity and communications on behalf of owners for these shortened periods of time clearly can raise a presumption of abandonment. Also, the shorter time periods prevent losses of assets that might otherwise be dissipated without the supervision of the State.

UUPA (1995) more clearly specifies what constitutes unclaimed property. The general rule is: "Property is unclaimed if, for the applicable period of time set forth in subsection (a) (of Section 2), the apparent owner has not communicated in writing or by other means reflected in a contemporaneous record prepared by or on behalf of the holder, with the holder concerning the property or the account in which the property is held, and has not otherwise indicated an interest in the property."

None of the earlier Uniform Acts attempts to state a general rule. Note the language referring to communication by other means than writing. The earlier Uniform Acts tended to put strict reliance upon the written records of holders, which would put in doubt computer communications and records as sufficient to indicate communications or interest shown by an owner, but also allowed rather rigid formalistic determinations about the fact of abandonment. UUPA (1995) erases these deficiencies in the former Uniform Acts.

UUPA (1995) states a general rule with respect to dormancy charges for all types of unclaimed property. Dormancy charges are charges imposed by holders for inactivity with respect to any property held. An example would be a specific charge for not depositing or withdrawing money from a bank account. The rule is that no dormancy charges can be levied against assets held unless there is a specific, enforceable contract between owner and holder for assessing such charges. "The amount of the deduction is limited to an amount that is not unconscionable."

The earlier Uniform Acts did not apply this kind of rule generally to all kinds of unclaimed property. The rule was applied only to traveler's checks, money orders, checks and drafts, and deposit accounts. In addition, there was no limitation on amount in the earlier Uniform Acts.

UUPA (1995) limits heir finder agreements. No person can enter agreements to charge a fee for finding unclaimed property less than two years from the time specific property is transferred to the unclaimed property administrator. There are specific disclosure requirements for such an agreement, when permitted, to make it enforceable, and agreed upon compensation may not be "unconscionable." Nothing like these provisions appears in the earlier Uniform Acts.

There is a kind of tangible personal property that is subject to the Uniform Acts. This kind of tangible property is that contained in safe deposit boxes or accounts. UUPA (1995) continues to include such tangible personal property within its scope.

There are other clarifications and adjustments to the provisions in the prior Uniform Acts in UUPA (1995). This summary attempts only to describe some of the principal differences. Although UUPA (1995) changes no fundamental principle of modern unclaimed property law, it updates, modernizes and substantially improves this law over its predecessors. It should be adopted in every State in the United States.