

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2111

2005 SENATE INDUSTRY, BUSINESS AND LABOR

SB 2111

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2111

Senate Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date 1-18-05

Tape Number	Side A	Side B	Meter #
1	xxx		1544-2545
Committee Clerk Signature <i>Lisa VanBerkom</i>			

Minutes: **Chairman Mutch** opened the hearing on SB 2111. All Senators were present.

SB 2111 relates to the notice of sale of abandoned property by the unclaimed property administrator.

Linda Fisher, Unclaimed Property Administrator for the North Dakota State Land Department, introduced the bill. See attached testimony.

Senator Krebsbach: Once the sale is held, are the proceeds from that kept in the name of the person who had secured the safety deposit box?

Linda: Yes, they are. They turn from unclaimed property contents to cash.

Chairman Mutch : What do you usually find in that safe deposit box?

Linda: Ninety percent of it is paper, insurance policies, pictures, marriage licenses, birth certificates, death certificates, social security cards. We don't collect a lot of valuable, salable property.

Senator Klein : We don't look into those boxes until they have been delinquent for three years?

Linda: The law says that the bank holds them that long before we get them. So if they haven't been paid for three years, that's when the bank can go in and drill the box, remove the contents and send it to our office. That is when the names start showing up on our lists and Internet sites.

Senator Klein : You still have a name tied to that box, because whoever was renting it at that point because whoever was renting it at that point would certainly be the owner of that property. You just haven't found this person?

Linda: That's right. Sometimes, I think they don't claim them because they know that what was in there was really of no value.

Chairman Mutch : How long of a period will you hold the property?

Linda: The last time we actually disposed of property was in 1993. We are in no hurry to have an auction now. We just feel that the longer we can keep it in it's original form for the owner, the better.

Senator Klein : Does this happen often? Are you called by a bank a lot?

Linda: We are never called by a bank. The way the statute is written, the banks look through their inventory every year at a certain time and see which boxes are eligible to send to the state. Then they just package them up and send them to us.

Senator Krebsbach: You say that the last sale that you have had was in 1993. And yet the bill says, "not less than three years" you will sell it. Is that a workable situation for you?

Linda: Yes, we feel that we should hold it for at least three years to give the people an opportunity to claim it. The way the law would be, if changed, would say that we could hold it as long as we feel that it makes sense to.

Chairman Mutch : You can't get the property out of the box for three years, then you open it?

Page 3

Senate Industry, Business and Labor Committee

Bill/Resolution Number 2111

Hearing Date 1-18-05

Linda: If we get the box on Monday and that person sees their name in the paper on Tuesday, you could claim it from us at any time. It's just that we can't sell it prior to three years of receiving it.

There was no opposition. Senator Heitkamp moved a DO PASS. Senator Espegard seconded. Roll Call Vote: 7 yes. 0 no. 0 absent. Carrier: Senator Heitkamp.

Date:
Roll Call Vote #:

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate Industry, Business and Labor Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

2111

Action Taken

Do Pass

Motion Made By

Heitkamp

Seconded By

Espegaard

Senators	Yes	No	Senators	Yes	No
Senator Mutch, Chairman	X		Senator Fairfield	X	
Senator Klein, Vice Chairman	X		Senator Heitkamp	X	
Senator Krebsbach	X				
Senator Nething	X				
Senator Espegaard	X				

Total (Yes) 7 No 0

Absent _____

Floor Assignment Senator Heitkamp

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
January 18, 2005 12:49 p.m.

Module No: SR-11-0616
Carrier: Heltkamp
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2111: Industry, Business and Labor Committee (Sen. Mutch, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2111 was placed on the Eleventh order on the calendar.

2005 HOUSE INDUSTRY, BUSINESS AND LABOR

SB 2111

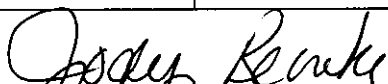
2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2111

House Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date 3-15-05

Tape Number	Side A	Side B	Meter #
1	x		0-24.7
3	x		3.5-12.4
Committee Clerk Signature 			

Minutes:

Chairman Keiser: Opened the hearing on SB 2111.

Linda Fisher, Unclaimed Property Administrator, ND State Land Department: Appeared in support of the bill and provided a written statement (SEE ATTACHED TESTIMONY).

Representative Nottestad: By not advertising this could that be construed by some as some that we are trying to sell the product without notifying the public?

Linda Fisher: I suppose it could if somebody wanted to make an issue of that, but when you put things on the Internet they are basically opened to the world at all times, and the question we had, is if you do put something on the Internet, where would you publish that and how would you publish it.

Representative Kasper: Do you ever make any effort to contact the original content owners?

Linda Fisher: We do make some personal contact, and a lot of times it depends what is in the box, if we opened the box and there are valentines cards, we might not, but if there are collectibles we do make an effort to contact the owners.

Representative Dosch: Couldn't you place an ad in the Bismarck Tribune, it kind of bothers me.

Linda Fisher: Absolutely, but then we couldn't limit it to the Tribune, because a lot of the property is going to be for people all over the state, we would have to advertise in every paper.

Representative Froseth: Your changing it, that in place of having to get rid of the property within three years, your holding it not less then 3 years, your opened ended there don't you think there should be signed limit to when you should dispose of the property?

Linda Fisher: We just feel that the longer we can hold the property in its current state, that is better for the owner. The criteria would be, once our little room that we hold the items in, once the room is full, then we would have a sale. Our last sale was in 1993.

Representative Clark: How much effort do you make to locate the owner of the property?

Linda Fisher: If you call our office and ask specific information on those companies, there is a high likely hood that you would find that claim forms have been sent to those places, for what ever reasons they don't claim them, there is another reason, lets say that insurance company, they will issue a check and it will be made out to the body shop and you, a lot of times those checks do not get cashed because the work doesn't get done, if there are two parties on a claim, we require that both parties make that claim because we don't know which party is entitled to the claim, sometimes they don't want to go through the trouble. We have to be the last resort for individuals that cannot be located. The last sale in 1993 was at the state fair in Minot.

Representative Keiser: What is the definition of a individual not using their box?

Page 3
House Industry, Business and Labor Committee
Bill/Resolution Number SB 2111
Hearing Date 3-15-05

Linda Fisher: The definition is "you haven't been accessed for 3 years"

Representative Thorpe: I move to **ADOPT** the Dosch amendments.

Representative Kasper: I **SECOND** the **ADOPTION** of the Dosch amendments.

Motion carried **VOTE: 9-YES 5-NO 0-Absent**

Representative Kasper: I move a **DO PASS AS AMENDED**

Representative Thorpe: I **SECOND** the **DO PASS AS AMENDED** motion.

Motion carried **VOTE: 13-YES 1-NO 0-Absent**

Representative Nottestad will carry the bill on the floor.

March 15, 2005

House Amendments to SB 2111 - Industry, Business and Labor Committee 03/16/2005

Page 1, line 14, remove the overstrike over "~~Any~~", remove "~~If any~~", and remove "is held in a physical location."

Page 1, line 15, remove "the sale", overstrike "single publication of", overstrike "at least" and insert immediately thereafter "published once a week for", and after "two" insert "consecutive"

Page 1, line 16, overstrike "a newspaper" and insert immediately thereafter "four newspapers" and overstrike "county in which the"

Page 1, line 17, overstrike "property is to be sold" and insert immediately thereafter "counties with the four highest populations" and after the period insert "The notice must contain each available name of each owner of the property to be sold."

Renumber accordingly

Date: 3-15-05
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2111

House

INDUSTRY, BUSINESS AND LABOR

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Adopt Dosch Amendments

Motion Made By

Rep. Thorpe

Seconded By

Rep. Kasper

Representatives	Yes	No	Representatives	Yes	No
G. Keiser-Chairman	X		Rep. B. Amerman		X
N. Johnson-Vice Chairman		X	Rep. T. Boe	X	
Rep. D. Clark	X		Rep. M. Ekstrom	X	
Rep. D. Dietrich		X	Rep. E. Thorpe	X	
Rep. M. Dosch	X				
Rep. G. Froseth	X				
Rep. J. Kasper	X				
Rep. D. Nottestad		X			
Rep. D. Ruby		X			
Rep. D. Vigasaa	X				

Total (Yes) 9 No 5

Absent 0

Floor Assignment Rep. Nottestad

If the vote is on an amendment, briefly indicate intent:

Date: 3-15-05
Roll Call Vote #: 2

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2111

House INDUSTRY, BUSINESS AND LABOR Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 58222.0101 - 0200

Action Taken Do Pass As Amended

Motion Made By Rep. Kasper Seconded By Rep. Thorpe

Representatives	Yes	No	Representatives	Yes	No
G. Keiser-Chairman	X		Rep. B. Amerman	X	
N. Johnson-Vice Chairman	X		Rep. T. Boe	X	
Rep. D. Clark	X		Rep. M. Ekstrom	X	
Rep. D. Dietrich		X	Rep. E. Thorpe	X	
Rep. M. Dosch	X				
Rep. G. Froseth	X				
Rep. J. Kasper	X				
Rep. D. Nottestad	X				
Rep. D. Ruby	X				
Rep. D. Vigesaa	X				

Total (Yes) 13 No 1

Absent 0

Floor Assignment Rep. Nottestad

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2111: Industry, Business and Labor Committee (Rep. Kelser, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS** (13 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2111 was placed on the Sixth order on the calendar.

Page 1, line 14, remove the overstrike over "~~Any~~", remove "If any", and remove "is held in a physical location."

Page 1, line 15, remove "the sale", overstrike "single publication of", overstrike "at least" and insert immediately thereafter "published once a week for", and after "two" insert "consecutive"

Page 1, line 16, overstrike "a newspaper" and insert immediately thereafter "four newspapers" and overstrike "county in which the"

Page 1, line 17, overstrike "property is to be sold" and insert immediately thereafter "counties with the four highest populations" and after the period insert "The notice must contain each available name of each owner of the property to be sold."

Renumber accordingly

2005 SENATE INDUSTRY, BUSINESS AND LABOR

CONFERENCE COMMITTEE

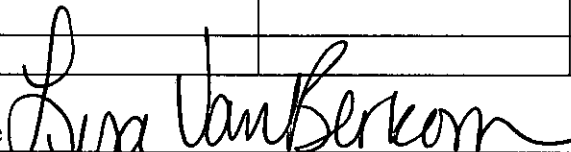
SB 2111

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2111
Senate Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date 4-07-05

Tape Number	Side A	Side B	Meter #
1		xxx	0-775
Committee Clerk Signature 			

Minutes: **Chairman Espegard** opened the conference committee on SB 2111. Senator

Heitkamp was absent. Members present were:

<u>Senators</u>	<u>Representatives</u>
Chairman Espegard	Rep. Dosch
Senator Nething	Rep. Nottestad
	Rep. Amerman

Senator Espegard: We have an amendment to our bill and I would ask for an explanation from the House.

Rep. Dosch: The purpose of the bill in the first place was to give the abandoned property, where if they are going to go online to sell the stuff, they wouldn't have to physically publish the sale. Our concern is that a lot of the stuff they are talking about is from safe deposit boxes, something other than cash. It's personal items, like birth certificates, wedding certificates, things like that that have more of a sentimental value than any other real value. So we thought that there would

be some value, if they are going to sell or get rid of the contents of some of these boxes, that they should put a notice in the paper. When they do have the sale, they have to publish where it is and when. If my box was abandoned, and we didn't know about it, and eventually they would sell the contents. We thought there should be some other notification for that.

Linda Fisher, Unclaimed Property Administrator of the ND State Land Dept., spoke to the committee to clarify the bill.

Linda: These all get listed. They are all posted in the publications in the paper. Some of these things we are talking about have already been advertised and on the web site. They don't get treated any differently than one with money in it. In fact, if we have a box that has a lot of valuable things, we do extra search efforts on that. So there are more efforts being made to publicize this property than I explained. The banks are also required to find them before we get it. All of the names are listed. The contents are not listed.

Rep. Dosch: I was under the impression that the box was a separate deal from the money. I didn't realize they were handled the same. They are published as much as those with money. With that verification, I would move that the House recede from our amendments. Rep. Nottestad seconded.

Roll Call Vote: 5 yes. 0 no 1 absent.

Senator Espegard will carry the bill.

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE) - 420

07398

11 Number) 2111 (, as (re)engrossed):

Your Conference Committee

For the Senate:	Attend	Vote	For the House:	Attend	Vote
Chair Espgaard	P	Y	Rep. Dosch	P	Y
Sen. Nethung	P	Y	Rep. Nottestad	P	Y
Sen. Heitkamp	A	A	Rep. Amerman	P	Y

☒ recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)
723/724 725/726 S724/H726 S723/H725

the (Senate/House) amendments on (SJ/HJ) page(s) 928 -

☒ and place 2111 on the Seventh order.
727

☐ , adopt (further) amendments as follows, and place
on the Seventh order:

☐ having been unable to agree, recommends that the committee be discharged
and a new committee be appointed. 690/515

((Re)Engrossed) _____ was placed on the Seventh order of business on the
calendar.

DATE: ____/____/____

CARRIER: _____

LC NO. _____ of amendment

LC NO. _____ of engrossment

Emergency clause added or deleted _____

Statement of purpose of amendment _____

(1) LC (2) LC (3) DESK (4) COMM.

Insert LC: .

REPORT OF CONFERENCE COMMITTEE

SB 2111: Your conference committee (Sens. Espgaard, Nething, Heitkamp and Reps. Dosch, Nottestad, Amerman) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 928 and place SB 2111 on the Seventh order.

SB 2111 was placed on the Seventh order of business on the calendar.

2005 TESTIMONY

SB 2111

**TESTIMONY OF LINDA FISHER
Unclaimed Property Administrator
North Dakota State Land Department**


IN SUPPORT OF SENATE BILL NO. 2111

**Industry, Business and Labor Committee
January 18, 2005**

*Same
given to
Hawes*

When a safe deposit box held by a financial institution is not accessed by the owner, or is more than three years delinquent in box rental, the contents of the box becomes unclaimed property.

North Dakota Uniform Unclaimed Property Act in 47-30.1-22 provides for the disposal of tangible articles received by the Unclaimed Property Administrator via the means of public sale.

 The current statute requires us to sell safe deposit box contents after holding it for three years. To properly comply with that statute, we would need to hold an auction every year to sell any contents that had a 3-year anniversary since the last sale. Simultaneous with the sale would be disposal of non-saleable items (i.e. pictures, baptismal certificates, birth certificates, military discharge papers, insurance policies, etc.)


We ask for a change to the statute for two reasons:

- 1) Auctions can be very time-consuming and costly.
- 2) Once property is sold or destroyed, potential for recovery by the owner is lost forever.

Since we receive a small amount of tangible property each year, it is not cost-prohibitive for us to hold these properties longer than three years, giving the owners additional time to make a claim. Furthermore, since the vast majority of items we receive are the non-saleable items mentioned above, there is also no significant revenue impact to the common schools trust fund.

Revising this statute would allow us to hold an auction when it became feasible instead of doing so on a pre-determined schedule.

I would also like to refer to the proposed changes on lines 14 -17 of the bill. The current statute allows us to conduct auctions at a specific, physical auction location, or, if we feel we could receive a better return for our owners in some instances, to offer property on the internet. The proposed changes on lines 14 -17 seek to clarify that publication of notice is required for sales that are physically conducted in a building or other appropriate location, but that notice is not required to be published when the article is offered on the web.

 With those explanations, I respectfully request a "do pass" recommendation on Senate Bill No. 2111.

PROPOSED AMENDMENTS TO SENATE NO. 2111

Page 1, line 14, remove the overstrike over "~~any~~", remove "If any", and remove "is held in a physical location."

Page 1, line 15, remove "the sale", overstrike "single publication of", overstrike "at least" and insert immediately thereafter "published once a week for", and after two insert "consecutive"

Page 1, line 16, overstrike "a newspaper" and insert immediately thereafter "four newspapers" and overstrike "county in which the"

Page 1, line 17, overstrike "property is to be sold" and insert immediately thereafter "counties with the four highest populations" and after the period insert "The notice must contain each available name of each owner of the property to be sold."

Any public sale held under this section must be preceded by a notice, published once a week for two consecutive weeks in advance of sale, in four newspapers of general circulation in the counties with the four highest populations. The notice must contain each available name of each owner of the property to be sold.