CHAPTER 13

UNCLAIMED PERSONAL PROPERTY

Authority

N.J.S.A. 46:30B-107

Source and Effective Date

R.2006 d.222, effective May 24, 2006.
See: 37 N.J.R. 4390(a), 38 N.J.R. 2732(a).

Chapter Expiration Date

Chapter 13, Unclaimed Personal Property, expires on May 24, 2011.

Chapter Historical Note

Chapter 13, Unclaimed Personal Property, was adopted as R.1995 d.563, effective November 6, 1995. See: 27 N.J.R. 1962(a), 27 N.J.R. 4445(b). Pursuant to Executive Order No. 66(1978), Chapter 13 expired on November 6, 2000.

Chapter 13, Unclaimed Personal Property, was adopted as new rules by R.2000 d.499, effective December 18, 2000. See: 32 N.J.R. 3751(b), 32 N.J.R. 4451(b).

Administrative correction. See: 33 N.J.R. 568(c).

Subchapter 2, Time Deposits, and Subchapter 3, Payment of Claim by Administrator, were adopted as new rules by R.2004 d.65, effective February 17, 2004. See: 35 N.J.R. 4217(a), 36 N.J.R. 1029(a).

Chapter 13, Unclaimed Personal Property was readopted by R.2006 d.222, effective May 24, 2006. Former Subchapter 3, Payment of Claim by Administrator, was recodified as Subchapter 4 and Subchapter 3, Dormancy Fees, was adopted as new rules by R.2006 d.222, effective June 19, 2006. See: Source and Effective Date. See, also, section annotations.

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. SAFE DEPOSIT BOX POLICIES AND PROCEDURES

18:13-1.1 Declaration of policy
18:13-1.2 Definitions
18:13-1.3 Reporting
18:13-1.4 Estimation of value
18:13-1.5 Reporting multiple boxes or repositories of worthless items
18:13-1.6 Alternate disposition and indemnification of holder upon election of administrator not to receive the property
18:13-1.7 Retention of records
18:13-1.8 Continuity of records
18:13-1.9 Notice requirement
18:13-1.10 Liability in general and constructive delivery
18:13-1.11 Inspection of holder inventory or safe deposit box
18:13-1.12 Sale of tangible property
18:13-1.13 Rights of purchaser of property
18:13-1.14 Penalties

SUBCHAPTER 2. TIME DEPOSITS

18:13-2.1 Definitions
18:13-2.2 Conduct by owner indicating interest in time deposit
18:13-2.3 Notice to apparent owners of time deposits by certified mail, return receipt requested, before the filing of a report by the holder
18:13-2.4 Notice to apparent owners of time deposits by regular mail

SUBCHAPTER 3. DORMANCY FEES

18:13-3.1 Definitions
18:13-3.2 Dormancy fees; unconscionability; limitations

SUBCHAPTER 4. PAYMENT OF CLAIM BY ADMINISTRATOR

18:13-4.1 Definitions
18:13-4.2 Payment to be made; claimant's address and signature in claim form; corporate claims

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SUBCHAPTER 1. SAFE DEPOSIT BOX POLICIES AND PROCEDURES

18:13-1.1 Declaration of policy

(a) All abandoned safe deposit boxes and other safekeeping repositories shall be individually reported regardless of content value.

1. Contents of some commercial value or insubstantial commercial value shall be detailed pursuant to N.J.S.A. 17:14A-51 and pursuant to N.J.S.A. 46:30B-46 through 50 and these rules.

2. For the purposes of the report requirements, items of insubstantial commercial value, may be grouped under the heading "Insubstantial Commercial Value" and need not be individually listed for each safekeeping unit.

(b) Each safe deposit box or other safekeeping repository will stand alone with regard to assets therein, lien charges, sale expenses and sale proceeds.

1. If a sale is held, the holder may not add together all proceeds from all boxes or repositories and from that total of proceeds retain or be reimbursed for all the lien charges and sale expenses due on all the boxes or repositories. Each box must be accounted for separately, in all respects.

2. Safe deposit box or repository charges shall only be reimbursed, pursuant to N.J.S.A. 46:30B-67, if the items are sold at auction and there are funds available after the State's administrative costs have been satisfied. These charges shall be documented on the report for each owner with supporting evidence held for future audit. If the owner claims the contents prior to sale, the claimant shall receive the contents without charge.

(c) The holder is required to report electronically to the State, consistent with the State format for reporting safe deposit box or other safekeeping repository records (see N.J.A.C. 18:13-1.3). The electronic format to be used shall be that which is approved by the Administrator.

(d) The State Treasurer will generally not assume custody of property prior to the presumption of abandonment.

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(e) Upon presumption of abandonment, the holder shall file the required report pursuant to N.J.S.A. 46:30B-46 through 50 and this chapter, using the State-approved format, State form UP-1 or approved substitute form.

1. If a sale has been held, the excess proceeds must accompany the report.

2. The State will notify the holder via written or oral communication within 120 days of the report, of acceptance or constructive delivery (see N.J.A.C. 18:13-1.6) or of its intent to inspect any tangible property.

(f) The Unclaimed Property Operations Branch shall not accept deliveries of safekeeping contents by mail or in person from holders. A representative of the Unclaimed Property Operations Branch shall review each report at the holder's location to assure that the reported inventory is consistent with the delivery. All delivery arrangements shall be made by the Unclaimed Property Operations Branch.

Amended by R.2006 d.222, effective June 19, 2006.
See: 37 N.J.R. 4390(a), 38 N.J.R. 2732(a).
In (c), substituted "The" for "If the" and "is required" for "chooses", inserted "to" following "electronically", deleted "will require that the format be" preceding "consistent" substituted "see" for ". See", moved the period following the N.J.A.C. reference to outside the closing parenthesis and added the last sentence; and substituted "written or oral communication" for "letter" in (e)2.

18:13-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Administrator" means the Treasurer of the State of New Jersey, any individual serving as the Acting Treasurer in the absence of the appointed Treasurer, and any State employee to whom the Treasurer has delegated the authority to administer the provisions of N.J.S.A. 46:30B-1 et seq. and to execute any pertinent documents.

"Apparent owner" means the person whose name appears on the records of the holder as the person entitled to property held, issued or owing by the holder.

"Constructive delivery" means unclaimed property which has been set apart and report of such received and accepted by the State without real transfer or a true conferring of real possession of the property by the holder.

1. This term includes all those acts which have been held by construction of law to be equivalent to acts of real delivery.

2. The conduct of the holder and State shall be such as to be consistent with the presumption that there has been a change in holder.

3. The date on which constructive delivery becomes effective is the postmarked date on the State's letter of acceptance to the holder required under N.J.A.C. 18:13-1.1(e)2.

"Good faith" means that payment or delivery was made in a reasonable attempt to comply with this chapter; that the person delivering or performing constructive delivery of the property was not a fiduciary then in breach of trust in respect to the property and had a reasonable basis for believing, based on the facts then known to him or her, that the property was abandoned for the purpose of this chapter; and there is no showing that the records pursuant to which the delivery was made did not meet the reasonable commercial standards of practice in the industry.

"Holder" means a person, wherever organized or domiciled, who is the original obligor indebted to another on an obligation.

"Holder's right to reimbursement" means that a holder has the right to be reimbursed from the proceeds of the sale of the contents of a safe deposit box or other safekeeping repository for lien charges and sale expenses.

1. If the sale is conducted by the State Treasurer, the State's sale expenses will be deducted from the proceeds prior to any reimbursement to the holder.

"Last known address" means a description of the location of the apparent owner sufficient for the purpose of the delivery of mail.

"Lien charges" means the amount due to the holder for rental to the time of removal of contents, and costs of opening, repairing, and restoration.

"Owner" means a person, or the owner's legal representative, who is renting or leasing a safe deposit box, or other safekeeping repository, or otherwise has a legal or equitable interest in property subject to this chapter and includes, but is not limited to, a depositor in the case of a deposit, a beneficiary in the case of a trust other than a deposit in trust, and a creditor, claimant, or payee in the case of other property.

"Person" means an individual, business association, state or other government, governmental subdivision or agency, public corporation, public authority, estate, trust, two or more persons having a joint or common interest, or any other legal or commercial entity.

"Presumption of abandonment" means safe deposit box contents or other safekeeping repository contents are presumed abandoned if unclaimed by the owner for more than five years after the expiration of the lease, rental period, or other custodial agreement. (N.J.S.A. 46:30B-45).

"Safe" means a place for the storage and safekeeping of personal property.

"Safe deposit box" means vaults, boxes and receptacles used for the safekeeping of personal property, whether in a