

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 165

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO UNCLAIMED PROPERTY; AMENDING SECTION 14-5-201, IDAHO CODE,  
2 TO REVISE A PROVISION REGARDING WHEN PROPERTY IS PRESUMED ABANDONED  
3 AND TO PROVIDE A CORRECT CODE REFERENCE; AMENDING SECTION 14-5-207,  
4 IDAHO CODE, TO REVISE PROVISIONS REGARDING WHEN A SECURITY IS PRESUMED  
5 ABANDONED AND TO PROVIDE A CORRECT CODE REFERENCE; AMENDING SECTION  
6 14-5-1503, IDAHO CODE, TO REVISE PROVISIONS REGARDING PROPERTY PRE-  
7 SUMED ABANDONED; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE  
8 DATE.  
9

10 Be It Enacted by the Legislature of the State of Idaho:

11 SECTION 1. That Section 14-5-201, Idaho Code, be, and the same is hereby  
12 amended to read as follows:

13 14-5-201. WHEN PROPERTY PRESUMED ABANDONED. (1) Subject to the provi-  
14 sions of section ~~14-5-210~~ 14-5-209, Idaho Code, the following property is  
15 presumed abandoned if it is unclaimed by the apparent owner during the speci-  
16 fied period:

17 (a) A traveler's check, fifteen (15) years after issuance;

18 (b) A money order, seven (7) years after issuance;

19 (c) A corporate bond, bearer bond, or original issue discount bond,  
20 five (5) years after the earliest of the date the bond matures or is  
21 called or the obligation to pay the principal of the bond arises;

22 (d) A demand savings or time deposit, including a deposit that is auto-  
23 matically renewable, five (5) years after the later of the date of matu-  
24 rity, if applicable, or the date of the last indication of interest in  
25 the property by the apparent owner. However, a deposit that is automati-  
26 cally renewable is deemed matured on its initial date of maturity plus  
27 one (1) ~~annual~~ renewal;

28 (e) Money or a credit owed to a customer as a result of a retail business  
29 transaction, other than in-store credit for returned merchandise, five  
30 (5) years after the obligation arose;

31 (f) An amount owed by an insurance company on a life or endowment insur-  
32 ance policy or an annuity contract that has matured or terminated, five  
33 (5) years after the obligation to pay arose under the terms of the pol-  
34 icy or contract or, if a policy or contract for which an amount is owed on  
35 proof of death has not matured by proof of the death of the insured or an-  
36 nuitant, as follows:

37 (i) With respect to an amount owed on a life or endowment insur-  
38 ance policy, five (5) years after the earlier of the date:

39 1. The insurance company has knowledge of the death of the  
40 insured; or

- 1                   2. The insured has attained, or would have attained if liv-  
2                   ing, the limiting age under the mortality table on which the  
3                   reserve for the policy is based; and  
4                   (ii) With respect to an amount owed on an annuity contract, five  
5                   (5) years after the date the insurance company has knowledge of the  
6                   death of the annuitant;  
7                   (g) Property distributable by a business association in the course of  
8                   dissolution, one (1) year after the property becomes distributable;  
9                   (h) Property held by a court, including property received as pro-  
10                  ceeds of a class action, one (1) year after the property becomes dis-  
11                  tributable;  
12                  (i) Property held by a government or governmental subdivision, agency,  
13                  or instrumentality, including municipal bond interest and unredeemed  
14                  principal under the administration of a paying agent or indenture  
15                  trustee, one (1) year after the property becomes distributable;  
16                  (j) Wages, commissions, bonuses, or reimbursements to which an em-  
17                  ployee is entitled or other compensation for personal services, other  
18                  than a payroll card converted balance as defined in section 14-5-102,  
19                  Idaho Code, one (1) year after the amount becomes payable;  
20                  (k) A deposit or refund owed to a subscriber by a utility, one (1) year  
21                  after the deposit or refund becomes payable;  
22                  (l) Funds on deposit or held in trust for the prepayment of a funeral or  
23                  other funeral-related expenses other than burial rights, the earliest  
24                  of:  
25                    (i) Two (2) years after the date of death of the beneficiary;  
26                    (ii) One (1) year after the date the beneficiary has attained, or  
27                    would have attained if living, the age of one hundred five (105)  
28                    years where the holder does not know whether the beneficiary is de-  
29                    ceased; or  
30                    (iii) Thirty (30) years after the contract for prepayment was exe-  
31                    cuted.  
32                  (m) Funds from the termination of a defined contribution or other re-  
33                  tirement plan where the apparent owner is a missing participant and the  
34                  plan fiduciary is unable to or elects not to distribute missing partic-  
35                  ipant benefits into an individual retirement account, as soon as admin-  
36                  istratively feasible after the date of plan termination; and  
37                  (n) Property not specified in this section or sections 14-5-202 through  
38                  14-5-208, Idaho Code, the earlier of five (5) years after the owner  
39                  first has a right to demand the property or the obligation to pay or dis-  
40                  tribute the property arises.  
41                  (2) Notwithstanding the provisions of subsection (1) of this section,  
42                  and subject to the provisions of section 14-5-209, Idaho Code:  
43                    (a) If the holder has imposed a charge against property for reason of  
44                    inactivity or the failure of the owner to claim the property within a  
45                    specified period of time, and the abandonment period for the property  
46                    pursuant to subsection (1) of this section is greater than five (5)  
47                    years, the property shall instead be presumed abandoned five (5) years  
48                    from the owner's last indication of interest in the property; and  
49                    (b) A deceased owner cannot indicate interest in the owner's property.  
50                    If the owner is deceased, and the abandonment period for the owner's

1 property as specified in subsection (1) of this section is greater than  
2 two (2) years, the property shall instead be presumed abandoned two (2)  
3 years from the date of the owner's last indication of interest in the  
4 property.

5 SECTION 2. That Section 14-5-207, Idaho Code, be, and the same is hereby  
6 amended to read as follows:

7 14-5-207. WHEN SECURITY PRESUMED ABANDONED. (1) Subject to the provi-  
8 sions of section ~~14-5-210~~ 14-5-209, Idaho Code, a security is presumed aban-  
9 doned five (5) years after:

10 (a) The date a second consecutive communication sent by the holder by  
11 first class United States mail to the apparent owner is returned to the  
12 holder undelivered by the United States postal service; or

13 (b) If the second communication is made later than thirty (30) days af-  
14 ter the first communication is returned, the date the first communica-  
15 tion is returned undelivered to the holder by the United States postal  
16 service.

17 (2) If the holder does not send communications to the apparent owner  
18 of ~~a security an account pursuant to subsection (1) of this section~~ by first  
19 class United States mail, the holder shall attempt to confirm the apparent  
20 owner's interest in the ~~security property~~ by sending the apparent owner an  
21 electronic mail communication no later than two (2) years after the appar-  
22 ent owner's last indication of interest in the property. However, the holder  
23 ~~promptly~~ shall promptly attempt to contact the apparent owner by first class  
24 United States mail if:

25 (a) The holder does not have information needed to send the apparent  
26 owner an electronic mail communication or the holder believes that the  
27 apparent owner's electronic mail address in the holder's records is not  
28 valid;

29 (b) The holder receives notification that the electronic mail communi-  
30 cation was not received; or

31 (c) The apparent owner does not respond to the electronic mail communi-  
32 cation within thirty (30) days after the communication was sent.

33 (3) If first class United States mail sent is returned to the holder  
34 undelivered by the United States postal service, the security is presumed  
35 abandoned five (5) years after the date the mail is returned.

36 SECTION 3. That Section 14-5-1503, Idaho Code, be, and the same is  
37 hereby amended to read as follows:

38 14-5-1503. TRANSITIONAL PROVISION. (1) An initial report filed under  
39 this chapter for property that was not ~~required to be reported~~ presumed aban-  
40 doned before July 1, 2024, but that is presumed abandoned and required to  
41 be reported under this chapter must include all items of property that would  
42 have been presumed abandoned during the ~~seven (7)~~ two (2) year period preced-  
43 ing July 1, 2024, as if this chapter had been in effect during that period.

44 (2) This chapter does not relieve a holder of a duty that arose before  
45 July 1, 2024, to report, pay, or deliver property. Subject to section 14-5-  
46 610(2) and (3), Idaho Code, a holder that did not comply with the law govern-

1 ing unclaimed property before July 1, 2024, is subject to applicable provi-  
2 sions for enforcement and penalties in effect before July 1, 2024.

3 SECTION 4. An emergency existing therefor, which emergency is hereby  
4 declared to exist, this act shall be in full force and effect on and after  
5 July 1, 2025.