

(e) If the Office of Administrative Law conducts the formal hearing, the Commission shall issue a Final Decision adopting, rejecting, or modifying the Initial Decision in accordance with N.J.S.A. 52:14B-1 et seq.

TREASURY — GENERAL

(a)

UNCLAIMED PROPERTY ADMINISTRATION

Unclaimed Personal Property

Readoption with Amendments: N.J.A.C. 17:18

Adopted New Rules: N.J.A.C. 17:18-5

Proposed: June 3, 2013, at 45 N.J.R. 1377(a).

Adopted: November 20, 2013, by Steve R. Harris, Administrator, Unclaimed Property Administration.

Filed: November 20, 2013, as R.2013 d.146, **without change**.

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

Effective Dates: November 20, 2013, Readoption;
July 21, 2014, Amendments and New Rules.

Expiration Date: November 20, 2020.

Summary of Public Comments and Agency Responses:

Unclaimed Property Administration (UPA) received nine written submissions, including multiple comments, as discussed below.

The following comments were received from Ferdinand Hogrojan, Legislative Counsel for the Council on State Taxation (COST), from Washington, D.C. and pertain to the amendments proposed at N.J.A.C. 17:18-1.2:

1. COMMENT: By removing the existing language requiring that the “last known address” be sufficient for “delivery of mail” to the apparent owner of the property, this will virtually guarantee that the property will never be reunited with its rightful owner.

RESPONSE: The Unclaimed Property Administration recognizes that it is preferable to have full names and addresses of purchasers or owners for the purpose of reuniting unclaimed property with owners. The zip code requirement balances that interest against avoiding any undue burden on the business community. The rules do not preclude the issuer from obtaining full name and address at the point of transaction.

2. COMMENT: Gift cards are purchased and then given to a third party, in the form of a gift. Therefore, obtaining addresses from purchasers does not further the purpose of reuniting property with the owner.

RESPONSE: Obtaining the zip code of the purchaser’s address furthers the purpose of reuniting property with its owner because the purchaser is the owner at the time the gift card is purchased. Registration of the gift card by the recipient may change the zip code, also furthering the purpose of reunification, in the event that the gift card later becomes unclaimed property.

3. COMMENT: The resulting escheatment by zip code comes closer to the place of purchase presumption found to violate *Texas v. New Jersey*, 379 U.S. 674 (1965), and its progeny by the U.S. Court of Appeals, Third Circuit in *New Jersey Retail Merchants Association v. Sidamon-Eristoff*, 669 F.3d 374 (2012).

RESPONSE: The proposed amendment does not create a place-of-purchase presumption. Instead, the proposed amendment clarifies the meaning of “last known address.” Because the zip code identifies the state of the owner’s last known address, the zip code facilitates the orderly escheat of unclaimed property between the states under the first priority rule of *Texas v. New Jersey*, *supra*. Further, the proposed amendment is consistent with P.L. 2012, c. 14, which requires issuers of stored value cards to maintain, at a minimum, the zip code of the purchaser or owner beginning July 2016.

4. COMMENT: While the zip code collection requirement was allowed to stand in *New Jersey Retail Merchants Association v. Sidamon-Eristoff*, *supra*, that case is still being litigated, and the New Jersey

Legislature has delayed implementation of the zip code collection requirement until 2016.

RESPONSE: After the denial of the Supreme Court of the United States of the petition for a writ of certiorari, the case *New Jersey Retail Merchants Association v. Sidamon-Eristoff*, *supra* is no longer being litigated. See *Sidamon-Eristoff v. N.J. Food Council*, 133 S. Ct. 528 (2012).

The following comments were received from Julia K. Norris, Vice President and Deputy General Counsel for Interactive Communications International, Inc. (InComm) from Atlanta, Georgia and pertain to the amendments proposed at N.J.A.C. 17:18-1.2:

5. COMMENT: The proposed amendments arguably reflect an intention by New Jersey to allow the requirement of P.L. 2012, c. 14, § 1.c to become effective on July 1, 2016. That section requires all issuers of stored value cards to obtain the name and address, and maintain at least the zip code, of all purchasers of stored value cards in New Jersey.

RESPONSE: The proposed amendment is consonant with P.L. 2012, c. 14, which requires all issuers of stored value cards to obtain the name and address, and maintain at least the zip code, of all purchasers of stored value cards in New Jersey beginning July 2016.

6. COMMENT: The proposed amendments change the definition of “last known address” from “a description of the location of the apparent owner sufficient for the purpose of the delivery of mail” to “a description of the location of the apparent owner for the purpose of determining which state has the right to escheat the abandoned property and the zip code of the apparent owner’s (creditor’s) last known address is sufficient.” This is incompatible with the U.S. Supreme Court decision in *Texas v. New Jersey*, *supra* at 681-682, which constitutes Federal common law, which preempt conflicting state law.

RESPONSE: The proposed amendment to the definition of “last known address” is sufficient to identify the owner’s state of residence and is consistent with Federal common law.

7. COMMENT: The Supreme Court itself stated in *Delaware v. New York*, 507 U.S. 490, 500 (1993): “These [priority] rules arise from our ‘authority and duty to determine for [ourselves] all questions that pertain’ to a controversy between States, ... and no State may supersede them by purporting to prescribe a different priority under State law.”

RESPONSE: The proposed amendment to the definition of “last known address” is sufficient to identify the owner’s state of residence and is what Federal law requires.

8. COMMENT: Defining “last known address” by reference to a mailing address is consistent with the primary purpose of State unclaimed property laws, which is to return the property to its rightful owner.

RESPONSE: The Unclaimed Property Administration recognizes that it is preferable to have full names and addresses of purchasers or owners for the purpose of reuniting unclaimed property with owners. The zip code requirement balances that interest against avoiding any undue burden on the business community. The rules do not preclude the issuer from obtaining full name and address at the point of transaction.

9. COMMENT: There is nothing in any of the Court’s opinions that suggest that it wanted to apply the rule on any basis other than the owner’s full mailing address.

RESPONSE: Nothing in any of the Court’s opinions suggests or requires the use of the owner’s full mailing address. The Court in *Texas v. New Jersey*, *supra*, held that the power to escheat was held by the state of the owner’s last known address as indicated in the debtor’s records. A zip code identifies the state and resolves the conflict between states with competing claims, the result sought by the Court in *Texas v. New Jersey*. In *Pennsylvania v. New York*, 407 U.S. 206, 215 (1972), decided after *Texas v. New Jersey*, *supra*, the Court held that it was the responsibility of the states to specify the extent of recordkeeping required regarding the addresses of owners of unclaimed property.

10. COMMENT: The proposed amendments are incompatible with other provisions of the New Jersey Statute itself.

RESPONSE: N.J.S.A. 46:30B-10 defines the conditions to be satisfied to subject property to the custody of this State. One condition specified arises if the last known address of the person entitled to the property is in New Jersey. A zip code is sufficient to identify the owner’s state of residence and is consistent with New Jersey’s unclaimed property laws.

The following comments were received from Kirsten Trusko, President and Executive Director, The Network Branded Prepaid Card Association from Montvale, New Jersey and pertain to the amendments proposed at N.J.A.C. 17:18-1.2:

11. COMMENT: The proposed changes to the definition of “last known address” may be deemed an effort to circumvent the priority scheme established by the U.S. Supreme Court.

RESPONSE: The proposed amendment to the definition of “last known address” is sufficient to identify the owner’s state of residence and is consistent with Federal common law. The proposed amendment thus does not circumvent the priority scheme of *Texas v. New Jersey*, *supra*, but rather is consonant with that decision.

12. COMMENT: The Supreme Court has not expressly permitted usage of a zip code to constitute a “last known address.”

RESPONSE: The Supreme Court in *Pennsylvania v. New York*, *supra*, left to the states the responsibility of specifying the extent of recordkeeping required regarding the addresses of owners of unclaimed property. Because a zip code identifies the state of the owner’s last known address, it effectuates the priority rules under *Texas v. New Jersey*, *supra*. See also the Response to Comment No. 11.

13. COMMENT: The California Supreme Court has ruled that collection of zip codes at the point of sale can be a violation of a consumer’s right to privacy.

RESPONSE: *Pineda v. William-Sonoma Stores, Inc.*, 246 P.3d 612 (Cal. 2011) involved the misuse of personal identification information for marketing purposes under California’s Credit Card Act of 1971. However, the Credit Card Act contains exceptions, including when the information is required for a purpose incidental to, but related to the transaction. The collection of the zip code of the purchaser or owner is necessary to the transaction as required by the State’s Uniform Unclaimed Property Act.

14. COMMENT: In order to comply with the planned requirement to escheat unused prepaid cards funds to New Jersey, the collection of zip codes alone would not be sufficient.

RESPONSE: The collection of a zip code is sufficient for the escheat of unused prepaid card funds because a zip code identifies the state of the owner’s last known address. Under *Texas v. New Jersey*, *supra*, the state of the owner’s last known address has first priority regarding escheat of the asset in question. In accordance with the decision rendered by the Third Circuit in *New Jersey Retail Merchants Association v. Sidamon-Eristoff*, 669 F.3d 374 (3d Cir. 2012), retaining the zip code of the purchaser or owner rationally furthers the State’s legitimate interest in determining which state has the right to escheat abandoned property.

The following comments were received from Rebekka Rea, President and Executive Director, Retail Gift Card Association (RGCA) from Edmond, Oklahoma and pertain to the amendments proposed at N.J.A.C. 17:18-1.2:

15. COMMENT: A zip code alone will not suffice to reunite the gift card consumer with its escheated funds.

RESPONSE: The Unclaimed Property Administration recognizes that it is preferable to have full names and addresses of purchasers or owners for the purpose of reuniting unclaimed property with owners. The zip code requirement balances that interest against avoiding any undue burden on the business community. The rules do not preclude the issuer from obtaining full name and address at the point of transaction.

16. COMMENT: New Jersey would be making it harder for a consumer to use its own gift card.

RESPONSE: The proposed amendment would not make it harder for consumers to use gift cards in New Jersey. Rather, the proposed amendment clarifies the meaning of “last known address.” P.L. 2012, c. 14, and makes it easier for consumers in New Jersey to use gift cards because it lengthens the presumed abandonment period of a gift card from two years after the last date of activity to five years.

17. COMMENT: The zip code collection requirement conflicts with state law – from California where a zip code is considered personal information – even to New Jersey where N.J.S.A. 56:11-17 restricts retailers from making a sale conditional on the consumer providing “personal information.”

RESPONSE: While N.J.S.A. 56:11-17 prohibits any person from requiring the recordation of personal identification information in order to

use a credit card, unless the information is required by the issuer in order to complete the transaction, subsequently enacted law, P.L. 2012, c. 14, requires the recordation of the zip code in order to complete the transaction related to stored value cards beginning July 1, 2016. Thus, there is no conflict between the proposed amendment and N.J.S.A. 56:11-17. Furthermore, no Federal law requires New Jersey law to be consistent with the California law established by *Pineda v. William-Sonoma Stores, Inc.*, *supra*.

18. COMMENT: The RGCA remains hopeful that New Jersey will reconsider the zip code collection requirement prior to its effective date in 2016, but with this regulation, it appears New Jersey is going in the opposite direction.

RESPONSE: The Unclaimed Property Administration cannot comment on whether the Legislature will reconsider the zip code collection requirement of P.L. 2012, c. 14.

The following comments were received from John Holub, President, New Jersey Retail Merchants Association (NJRMA) from Trenton, New Jersey and pertain to the amendments proposed at N.J.A.C. 17:18-1.2:

19. COMMENT: This litigation (*Retail Merchants Association v. Andrew Sidamon-Eristoff et al*, Case 3:10-cv-05059-FLW-LHG) remains pending before the District Court, as a final ruling has not been issued.

RESPONSE: After the denial by the Supreme Court of the United States of the petition for a writ of certiorari, *New Jersey Retail Merchants Association v. Sidamon-Eristoff*, *supra*, is no longer being litigated. *Andrew Sidamon-Eristoff, Treasurer of N.J. v. N.J. Food Council*, 113 S. Ct. 528 (2012).

20. COMMENT: A “zip code only” provision does not seem consistent with the holding of, and reasons for, the U.S. Supreme Court’s decision in *Texas v. New Jersey*, *supra* and its progeny. Implementing a “zip code only” criterion is simply a veiled attempt to circumvent the priority rules established by the Supreme Court.

RESPONSE: In *Texas v. New Jersey*, *supra*, the state of the owner’s last known address has first priority regarding the escheat of the asset in question. A zip code identifies the state of the creditor’s last known address. Thus, the proposed amendment follows the priority rules of *Texas v. New Jersey*, *supra*, and does not circumvent them. In accordance with the decision rendered by the Third Circuit in *New Jersey Retail Merchants Association v. Sidamon-Eristoff*, *supra*, retaining the zip code of the purchaser or owner rationally furthers the State’s legitimate interest in determining which state has the right to escheat abandoned property.

21. COMMENT: Changing the definition of “last known address” to allow a zip code to be “sufficient” once again raises the sensitive issue of zip code collection for retailers. While this requirement was signed into law in 2012 and goes into effect in 2016, please note, its complete repeal remains the top legislative priority of NJRMA.

RESPONSE: The Unclaimed Property Administration cannot comment on the legislative priorities of the commenter. The collection of a zip code balances the two goals of reuniting unclaimed property with its owner and avoiding any undue burden on the business community.

22. COMMENT: Retailers also remain concerned with the conflict between the zip code provisions of the 2012 escheat law and N.J.S.A. 56:11-17, which restricts retailers from making a sale conditional on the consumer providing “personal identification” information. Amending the definition of “last known address” to a zip code does not alleviate those concerns. The California Supreme Court ruled zip codes are personal information.

RESPONSE: While N.J.S.A. 56:11-17 prohibits any person from requiring the recordation of personal identification information in order to use a credit card, unless that information is required by the issuer in order to complete the transaction, subsequently enacted law, P.L. 2012, c. 14, requires the recordation of the zip code for stored value card transactions after July 1, 2016. Thus, there is no conflict between the proposed amendment and N.J.S.A. 56:11-17. Furthermore, no Federal law requires New Jersey law to be consistent with California law established by *Pineda v. William-Sonoma Stores, Inc.*, *supra*.

23. COMMENT: Changing the definition of “last known address” cannot be justified under the principal rationale for the unclaimed property law...reuniting owners with lost property.

RESPONSE: The Unclaimed Property Administration recognizes that it is preferable to have full names and addresses of purchasers or owners for the purpose of reuniting unclaimed property with owners. The zip code requirement balances that interest against avoiding any undue burden on the business community. The rules do not preclude the issuer from obtaining full name and address at the point of transaction.

24. COMMENT: An emphasis on revenue generation is also quite inconsistent with the historical rationale of escheating property to the State as a consumer protection mechanism.

RESPONSE: The statutory charge of the New Jersey Unclaimed Property Administration is to gather, hold, and ultimately reunite abandoned property with rightful owners. The State holds the funds in perpetuity and in trust for the rightful owner, protections that a private holder does not afford. With respect to the historic rationale of property escheat, courts have recognized that states are the better custodians of unclaimed property.

25. COMMENT: Currently there is no effective statutory authority for this proposed change. The only reference to zip codes in the New Jersey unclaimed property laws is in N.J.S.A. 46:30B-42.1. However, that section does not become effective until 2016.

RESPONSE: This regulatory amendment presently applies to numerous forms of property. Per P.L. 2012, c. 14, issuers of stored value cards are not required to collect the name and address of the purchaser or owner of each stored value card issued or sold or maintain a record of the zip code of each owner or purchaser until July 1, 2016.

The following comments were received from Ky Tran-Trong, Senior Regulatory Counsel, Visa, San Francisco, California (a forwarded copy of these comments was also received from Ryan Rogers from Morrison & Foerster LLP, Washington, D.C. and David J. Pascrell, Attorney from Gibbons P.C., Trenton, New Jersey on behalf of his client Visa, Inc.) and pertain to the amendments proposed at N.J.A.C. 17:18-1.2:

26. COMMENT: A zip code alone, without a name and address, cannot achieve the purpose of unclaimed property laws to “reunite abandoned property with its owner.”

RESPONSE: The Unclaimed Property Administration recognizes that it is preferable to have full names and addresses of purchasers or owners for the purpose of reuniting unclaimed property with owners. The rules do not preclude the issuer from obtaining full name and address at the point of transaction. The collection of a zip code balances the two goals of reuniting unclaimed property with its owner and avoiding any undue burden on the business community.

27. COMMENT: Purchasers or recipients of prepaid gift cards would have difficulty establishing a right to the funds if the only information New Jersey has relating to the card is zip code information.

RESPONSE: Purchasers and recipients will be unaffected by the proposed amendment requiring collection of the zip code because they can use the card number in order to establish their right to escheated funds. They can also register their card, so their complete address will be available in the event of escheat. The collection of a zip code balances the two goals of reuniting unclaimed property with its owner and avoiding any undue burden on the business community.

28. COMMENT: The infrastructure needed to comply with the information collection requirement will be extremely costly to build and will have a chilling effect on the gift card industry.

RESPONSE: Potential costs on the gift card industry are the result of P.L. 2012, c. 14, not the proposed amendment. Virtually all statutes have costs as well as benefits.

29. COMMENT: A zip code alone does not establish an adequate relationship to the value associated with a prepaid gift card for purposes of escheat.

RESPONSE: The priority rules of *Texas v. New Jersey, supra*, concern not an adequate relationship between a zip code and the value of a card, but rather the connection between a state and unclaimed property. Here, a zip code identifies the state of the owner’s last known address, requiring the escheat of unclaimed property to that state under the first priority rule.

30. COMMENT: By establishing New Jersey’s right to escheat based on zip code alone and departing from the priority rules in *Texas v. New Jersey, supra*, UPA would be departing from the express intended goal of adopting the Act—uniformity in administration among states that have

enacted the uniform unclaimed property acts developed by the Uniform Law Commission (ULC).

RESPONSE: The proposed amendment is consistent with the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 et seq. A zip code identifies the state of the owner’s last known address, requiring the escheat of unclaimed property under the first priority rule of *Texas v. New Jersey, supra*. There is no lack of uniformity when the priority rules are followed.

31. COMMENT: UPA’s proposed definitional change also is premature in light of the announcement in July 2013, by the ULC regarding a drafting committee initiative that will propose amendments to update the 1995 Uniform Act. According to the ULC’s announcement, technological developments in recent years that are not addressed in the 1995 Uniform Act, as well as new types of potential unclaimed property, such as gift cards, will be addressed by the drafting committee in a revised draft of the Uniform Act. By acting ahead of the ULC’s initiative, UPA risks taking action that could be at odds with proposed updates to the Uniform Act that may be adopted in other states.

RESPONSE: The proposed amendment is consistent with the New Jersey Uniform Unclaimed Property Act. In the event that the Uniform Law Commission drafts amendments to the Uniform Unclaimed Property Act, the UPA can consider amendments to the relevant rules.

The following comment came from Catherine St. John, Director, New Jersey Government Affairs, Prudential Financial, Inc., Trenton, New Jersey and pertains to proposed new N.J.A.C. 17:18-5.1:

32. COMMENT: Under proposed N.J.A.C. 17:18-5.1(b) may a holder of property still communicate with the apparent property owner that failure to respond to this communication may result in the escheatment of the property to the State and that in the event of escheatment the current holder is no longer obligated to the apparent property owner and can direct that person to the State?

RESPONSE: Under proposed N.J.A.C. 17:18-5.1(b), a holder may communicate with the apparent owner that failure to respond to this communication may result in a custodial escheat of the property to the State. However, if the apparent owner contacts the holder after escheat, the holder must direct the apparent owner to the State to collect the property. The holder is only indemnified up to the value of the property turned over on behalf of the apparent owner.

Federal Standards Statement

The rules readopted with amendments and new rules do not contain requirements that exceed any requirements imposed by Federal law. These rules represent policies of the State of New Jersey regarding implementation of N.J.S.A. 46:30B-1 et seq., that are independent of Federal requirements or standards. Accordingly, no Federal standards analysis is required.

Full text of the readopted rules can be found in the New Jersey Administrative Code at N.J.A.C. 17:18.

Full text of the adopted amendments and new rules follows:

SUBCHAPTER 1. SAFE DEPOSIT BOX POLICIES AND PROCEDURES

17:18-1.1 Declaration of policy

(a)-(d) (No change.)

(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 forms UP-1S and UP-3.

1. If a sale has been held, the excess proceeds must accompany the report. The report must contain a detailed listing of all property to be auctioned, as well as property not to be auctioned and include any fees that have been deducted.

2. (No change.)

(f) (No change.)

17:18-1.2 Definitions

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

...

“Last known address” means a description of the location of the apparent owner sufficient for the purpose of determining which state has the right to escheat the abandoned property and the zip code of the apparent owner’s (creditor’s) last known address is sufficient.

17:18-1.3 Reporting

(a) The safe deposit box holder shall be sent a notification each year prior to August 1 detailing any changes in reporting requirements. The State of New Jersey accepts HRS Pro files, which may be downloaded from the Unclaimed Property Administration website. The Unclaimed Property Administration may also be contacted for further instructions.

1. Instructions as to how to report will be posted on the Unclaimed Property Administration’s website. The web address is <http://www.unclaimedproperty.nj.gov/>. All holders shall record an owner’s name, associated address, and social security number.

(b)-(c) (No change.)

(d) Cash, consisting of coins or currency, must be maintained in its original form and not commingled with the cash of other owners. It must not be converted to any other cash instruments until the box has been inspected by Unclaimed Property Administration personnel. The State at that time will require the cash determined to be worth face value to be totaled and the total cash amount be converted by the safe deposit box holder to a check instrument payable to “Treasurer, State of New Jersey.” The cash funds are to be reported by the owner and deposited into the Unclaimed Personal Property Trust Fund. Cash in a safe deposit box is not to be confiscated by the holder for reimbursement. Cash that is worth more than face value shall be delivered to the Unclaimed Property Administration in its original form. Cash shall not be converted to any other cash instrument.

17:18-1.9 Notice requirement

(a) The holder shall give written notice to the apparent owner by certified mail with return receipt requested not more than 120 days nor less than 60 days before the report is filed, pursuant to N.J.S.A. 46:30B-50, informing the apparent owner that the holder is in possession of property presumed abandoned if:

1. All holders of safe deposits and other repositories are required to cross-reference all open accounts for a current address. The most current address must be used for certified mailings;

Recodify existing 1.-3. as 2.-4. (No change in text.)

17:18-1.11 Inspection of holder inventory or safe deposit box

(a) (No change.)

(b) The Unclaimed Property Administration shall notify the holder by written or oral communication referencing the report summary detailing the inventory that will be inspected.

1. This communication shall request the following two items from the holder:

i. The name of the individual who should be contacted by the Unclaimed Property Administration in order to arrange the inspection; and

ii. A statement from an officer of the holder sent to the Unclaimed Property Administration, affirming that all provisions of the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 et seq., and the Safe Deposit Box Companies-Proceedings for Unpaid Rental Statute, N.J.S.A. 17:14A-51, have been met by the holder with respect to those boxes or repositories being reported.

(c)-(d) (No change.)

SUBCHAPTER 3. DORMANCY FEES

17:18-3.1 Definitions

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

“Uniform Unclaimed Property Act” means the act found at N.J.S.A. 46:30B-1 et seq.

17:18-3.2 Dormancy fees; unconscionability; limitations

(a) (No change.)

(b) In addition to the requirements of (a) above, dormancy fees may not be unconscionable. Dormancy fees are not unconscionable when applied where:

1. Holders of money orders pursuant to N.J.S.A. 46:30B-13:

i.-ii. (No change.)

iii. Are permitted to impose fees by written agreement between the issuer and the purchaser;

iv. Stop accruing fees after the value of the money order is escheated;

v. Impose no fees for money orders issued before April 12, 2008, until three years from the date of purchase, in which case fees may then be imposed retroactively to the date of purchase, not to exceed the sum of \$.25 per month per money order or the aggregate amount of \$9.00 per money order; and

vi. Impose no fees for money orders issued on or after April 12, 2008, for the first year nor retroactively to the date of purchase, and fees shall not exceed the sum of \$2.00 per month per money order or the aggregate amount of \$48.00 per money order.

2. Holders of travelers checks pursuant to N.J.S.A. 46:30B-13:

i. Impose the fees uniformly to all of the issuer’s travelers checks;

ii. Clearly disclose the fees and terms to the purchaser of the travelers check at the time of the purchase and to the recipient of the travelers check by:

(1) Written notice of the dormancy fees on the travelers check or the sales receipt for the travelers check; and

(2) Written notice on the travelers check, or the sales receipt for the travelers check, of a telephone number that the consumer may call for information concerning any dormancy fees;

iii. Are permitted to charge fees by written agreement between the issuer and the purchaser;

iv. Stop accruing fees after the value of the travelers check is escheated;

v. Impose no fees for the first year nor retroactively to the date of purchase, and beginning the 13th month, an issuer may impose fees not to exceed the sum of \$2.00 per month per travelers check or the aggregate amount of \$48.00 per travelers check;

Recodify existing 2.-4. as 3.-5. (No change in text.)

6. Holders of all property not covered under (b)1 through 5 above:

i.-v. (No change.)

SUBCHAPTER 4. PAYMENT OF CLAIM BY ADMINISTRATOR

17:18-4.2 Payment to be made; claimant’s address and signature in claim form; corporate claims

(a) (No change.)

(b) Any claim form for unclaimed property as prescribed by the administrator, submitted to the administrator by a claimant, shall state the actual claimant’s own address and be verified by the claimant’s actual or electronic signature.

(c)-(d) (No change.)

SUBCHAPTER 5. COMMUNICATION BETWEEN AN ISSUER, HOLDER, OR SELLER AND APPARENT OWNER

17:18-5.1 Communication between an issuer, holder, or seller and apparent owner

(a) All communications between an issuer, holder, or seller of property that may become abandoned under the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 et seq., (Act) shall be governed by the statutory provisions set forth in N.J.S.A. 46:30B-7.1 and 46:30B-8.

(b) A communication sent to an owner advising that failure to respond to the communication shall be confirmation that the issuer, holder, or seller has no further obligation to pay or transfer held goods to the owner, shall not be considered a valid communication, under the Act, for the purposes of relieving the issuer, holder, or seller (ultimate obligor) of reporting and payment obligations, should said property become abandoned under the Act.

APPENDIX

The following are sample “due diligence” letters, which meet the communications requirement under the Act:

July 1, 20XX

John Doe
55 Street Address
City, State Zip Code

RE: Outstanding Accounts Receivable Credit Balance

Account Number: 123-45678
Amount: \$123.45

Dear John Doe

We have conducted an internal review of our inactive customer accounts receivable records that reflect a credit balance. Our review indicates that the credit balance noted above **may** be due to you.

Please check the appropriate box on this letter, sign the letter and return it to [Company’s Name] in the envelope provided by **August 1, 20XX**. After completing the letter, mail to the attention of:

Company’s Name
Accounting Department
555 Street Address
City, State Zip Code

After reviewing my records, or to the best of my knowledge, I have determined that this property is owed to me. **Please re-issue.**

After reviewing my records, or to the best of my knowledge, I have determined that this property is not owed to me. **Do not re-issue.**

After reviewing my records, or to the best of my knowledge, I have determined that this property was previously received. **Do not re-issue.**

If a response is not received by **August 1, 20XX**, these funds will be escheated to the State of New Jersey in accordance with State law. Once the funds are transferred to the State, you will be required to submit a claim to the State’s Unclaimed Property Administration to recover it.

Your response will help us to ensure that we take the appropriate action concerning the above property.

Printed Name: _____ Title: _____
Signature: _____ Date: _____
Telephone: (____) _____

Company’s Name
5555 Street Address
City, State Zip Code
Telephone (555) 555-5555



July 1, 20XX

John Doe
55 Street Address
City, State Zip Code

Company's Name

5555 Street Address
City, State Zip Code
Telephone (555) 555-5555

RE: Outstanding Check

Check Number: 12345
Property Type: [i.e.: Payroll Check/Workman's Compensation Check/Vendor Check/Expense Check/Rebate Check/Refund Check/ Dividend Check]
Pay Date: October 15, 20XX
Amount: \$123.45
Invoice Number: [If applicable]

Dear John Doe

We have conducted an internal review of our [Property Type] records that reflects the above outstanding check(s) that may be due and owing to John Doe. Please review your records and check the appropriate box on this letter, sign the letter and return it to [Company's Name] in the envelope provided by August 1, 20XX. Mail to the attention of:

Company's Name
Accounting Department
555 Street Address
City, State Zip Code

After reviewing my records, or to the best of my knowledge, I have determined that this property is owed to me. Please re-issue.

After reviewing my records, or to the best of my knowledge, I have determined that this property is not owed to me. Do not re-issue.

After reviewing my records, or to the best of my knowledge, I have determined that this property was previously received. Do not re-issue.

If a response is not received by August 1, 20XX, these funds will be escheated to the State of New Jersey in accordance with State law. Once the funds are transferred to the State, you will be required to submit a claim to the State's Unclaimed Property Administration to recover it.

Your response will help us to ensure that we take the appropriate action concerning the above property.

Printed Name: _____
Signature: _____
Telephone: ()

Title: _____
Date: _____

