

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND NINETEEN

H.P. 1085 - L.D. 1483

**An Act To Clarify the Disposition of Funds Presumed Abandoned in a
Lawyer's Trust Account**

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 33 MRSA §1952, sub-§§7-A and 7-B are enacted to read:

7-A. Lawyer's trust account. "Lawyer's trust account" means a pooled trust account managed pursuant to rules adopted by the Supreme Judicial Court that earns interest or dividends at an eligible institution in which a lawyer or law firm holds funds on behalf of a client or clients. These funds are small in amount or held for a short period of time, such that the funds cannot earn interest or dividends for the client in excess of the costs incurred to secure such interest or dividends. For the purpose of this subsection, "eligible institution" means a financial organization meeting the requirements in rules adopted by the Supreme Judicial Court.

7-B. Lawyer's trust account program manager. "Lawyer's trust account program manager" means an entity designated by the Supreme Judicial Court to manage the lawyer's trust account program adopted by the Supreme Judicial Court.

Sec. 2. 33 MRSA §1952, sub-§13, ¶¶F and G, as enacted by PL 1997, c. 508, Pt. A, §2 and affected by §3, are amended to read:

F. An amount due and payable under the terms of an annuity or insurance policy, including policies providing life insurance, property and casualty insurance, workers' compensation insurance or health and disability insurance; ~~and~~

G. An amount distributable from a trust or custodial fund established under a plan to provide health, welfare, pension, vacation, severance, retirement, death, stock purchase, profit sharing, employee savings, supplemental unemployment insurance or similar benefits; and

Sec. 3. 33 MRSA §1952, sub-§13, ¶H is enacted to read:

H. Funds in a lawyer's trust account.

Sec. 4. 33 MRSA §1953, sub-§1, ¶O, as amended by PL 2003, c. 20, Pt. T, §22, is further amended to read:

O. All other property, including funds in a lawyer's trust account, 3 years after the owner's right to demand the property or after the obligation to pay or distribute the property arises, whichever first occurs;

Sec. 5. 33 MRSA §1959, sub-§5 is enacted to read:

5. Payment of certain funds presumed abandoned in lawyer's trust accounts.
Notwithstanding any other provision in this chapter to the contrary, a lawyer, law firm or financial institution holding funds presumed abandoned in a lawyer's trust account for which no identifying client information can be found shall file a report with the administrator pursuant to section 1958, subsection 1 and then transfer such funds, along with a copy of the report, to the lawyer's trust account program manager to provide funding to organizations whose primary purpose is to provide civil legal aid to low-income residents of the State.

Sec. 6. 33 MRSA §1979, as enacted by PL 1997, c. 508, Pt. A, §2 and affected by §3, is amended to read:

§1979. Rules

The administrator may adopt rules pursuant to the Maine Administrative Procedure Act necessary to carry out this Act. Rules adopted ~~under~~ pursuant to this section are routine technical rules ~~under~~ as defined in Title 5, chapter 375, subchapter ~~H-A~~ 2-A. In addition, the Supreme Judicial Court may adopt rules for the provisions of this Act relating to lawyer's trust accounts.

Sec. 7. Transfer of funds. The Treasurer of State shall transfer to the lawyer's trust account program manager as defined in the Maine Revised Statutes, Title 33, section 1952, subsection 7-B an amount equal to funds held on the effective date of this Act in the Unclaimed Property Fund of this State attributable to funds presumed abandoned in a lawyer's trust account for which no identifying client information can be found that were delivered to the Treasurer of State before the effective date of this Act.