



Invested in America

May 18, 2025

The Honorable Joe Baldacci, Chair
The Honorable Suzanne Salisbury, Chair
Maine Joint Committee on State and Local Government
c/o Legislative Information Office
100 State House Station
Augusta, ME 04333

RE: Oppose Unless Amended - LD 1969, an Act to Amend the Maine Revised Unclaimed Property Act

Dear Chair Baldacci, Chair Salisbury and Members of the Joint Committee on State and Local Government:

On behalf of the Securities Industry and Financial Markets Association ("SIFMA"),¹ we thank you for the opportunity to provide comments on LD 1969, which would amend the Maine Revised Unclaimed Property Act. SIFMA brings together the shared interests of hundreds of securities firms, banks and asset managers located throughout Maine and across the country. There are more than 23,500 people employed by the financial services industry in Maine, including more than 1,700 employees in the securities industry.²

SIFMA supports consumer-friendly policies that protect savers and investors from unnecessarily having their investments escheated to (and often liquidated by) the state, to ensure their access to those assets for their financial future. Currently, Maine uses a Returned Post Office (RPO) standard for multiple property types, including certain retirement accounts, securities and custodial accounts for minors.³

Shifting to an inactivity standard would eliminate the important communication requirement with account owners, and will increase the risk of property being eligible for escheatment when the owner is not in fact lost. As a result, investors saving for retirement, college, a home, or more, who did not proactively make a disbursement or add money into their account, could be at risk of having their life savings escheated to the state. Customer assets should only be escheated if they are truly lost or if the owner is deceased with no designated beneficiary. The best way to protect savers and investors accounts in Maine is to leave the current RPO standard in place, as an inactivity standard disadvantages Maine savers and investors.

¹ SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's one million employees, we advocate on legislation, regulation and business policy affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. For more information, visit <http://www.sifma.org>.

² US Department of Labor - Bureau of Economic Analysis (2023)

³ Title 33, Chapter 45, Maine Revised Unclaimed Property Act

Many people who are invested in the market pursue a buy and hold strategy⁴ and do not actively trade or regularly contact the firm holding their securities – thereby showing no “activity”. An inactivity standard can also create challenges for certain people to meet their savings goals, including seniors, small balance holders, active military personnel and others since they are less likely to contact their financial institutions within the three-year timeframe and therefore risk escheatment of their accounts. Many account holders logically believe that if they leave their funds untouched, their accounts will continue to grow and be there when they want or need to use them. SIFMA is concerned that the proposed move to an inactivity standard fails to consider customers’ diverse investment approaches and the three-year inactivity timeframe would not account for long-term investment strategies.

For these reasons, SIFMA supports keeping the returned mail standard as the dormancy trigger in Maine. We appreciate your willingness to consider our concerns. If you have any questions, please contact me at (212) 313-1211 or sklarer@sifma.org.

Sincerely,
/s/
Stephanie I. Klarer
Assistant Vice President
SIFMA

⁴ According to [Investopedia](https://www.investopedia.com/terms/b/buy-and-hold.asp), “Buy and hold is a passive investment strategy in which an investor buys stocks (or other types of securities such as ETFs) and holds them for a long period regardless of fluctuations in the market.”