

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

H

2

HOUSE BILL 157
Committee Substitute Favorable 3/24/21

Short Title: Property Finder Definition and Governance.-AB

(Public)

Sponsors:

Referred to:

February 25, 2021

1 A BILL TO BE ENTITLED
2 AN ACT DEFINING AND ESTABLISHING GOVERNING STANDARDS FOR PROPERTY
3 FINDERS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 28A-4-2 reads as rewritten:

6 "§ 28A-4-2. **Persons disqualified to serve as personal representative.**

7 No person is qualified to serve as a personal representative who:

8 ...

9 (11) Is a person who is employed by, acts as an agent for, serves as legal counsel
10 for, or conducts business in any contractual capacity with a property finder as
11 defined by G.S. 116B-52(11a)."

12 SECTION 2. G.S. 28A-22-11 reads as rewritten:

13 "§ 28A-22-11. **Agreements with heirs.**

14 Any agreement by an heir, unknown or known but unlocated, the primary purpose of which
15 is to locate or recover, or assist in the recovery of, a share in a decedent's estate shall be subject
16 to the provisions of G.S. 116B-78. Article 4 of Chapter 116B of the General Statutes."

17 SECTION 3. G.S. 116B-52 reads as rewritten:

18 "§ 116B-52. **Definitions.**

19 In this Chapter:

20 ...

21 (11a) "Property finder" means an individual or business entity, incorporated or
22 otherwise, who, for fee or any other consideration, seeks to locate, deliver,
23 recover, or assist in the recovery of property that is distributable to the owner
24 or presumed abandoned.

25"

26 SECTION 4. G.S. 116B-78 reads as rewritten:

27 "§ 116B-78. **Agreement ~~Agreements~~ to locate ~~property~~ property between property finders**
28 **and owners or apparent owners.**

29 (a) Repealed by Session Laws 2009-312, s. 2, effective October 1, 2009, and applicable
30 to agreements entered into on or after that date.

31 (a1) Agreements Covered. – An agreement by an owner or apparent owner is covered by
32 this section only if it is entered into between a property finder and an owner or an apparent owner
33 and its primary purpose is to locate, deliver, recover, or assist in the recovery of property that is
34 distributable to the owner or presumed abandoned.

35 (a2) Void Agreements. – An agreement covered by this section is void and unenforceable
36 if it was entered into during the period commencing on the date the property was distributable to



1 the owner and extending to a time that is 24 months after the date the property is paid or delivered
2 to the Treasurer. This subsection does not apply to an owner's agreement with an attorney to file
3 a claim or special proceeding as to identified property or contest the Treasurer's denial of a claim
4 or a clerk's denial of a petition.

5 (b) Criteria for Agreements. – An agreement covered by this section is ~~enforceable only~~
6 void and unenforceable if it ~~meets~~ does not meet all of the following criteria:

7 ...

8 (f) Registration. – ~~Any person who enters into an agreement covered by this section with~~
9 ~~an owner~~ A property finder shall register each calendar year with the Treasurer. The information
10 to be required under this subsection shall include the person's name, address, telephone number,
11 state of incorporation or residence, as applicable, and the person's social security or federal
12 identification number. A registration fee of one hundred dollars (\$100.00) shall be paid to the
13 Treasurer at the time of the filing of the registration information. Fees received under this
14 subsection shall be credited to the General Fund.

15"

16 **SECTION 5.** Article 4 of Chapter 116B of the General Statutes is amended by adding
17 a new section to read:

18 **"§ 116B-78.1. Property finder regulation and enforcement.**

19 (a) A property finder shall be licensed as a private investigator by the North Carolina
20 Private Protective Services Board pursuant to Chapter 74C of the General Statutes.

21 (b) A property finder shall not initiate a claim with the Treasurer at any time prior to
22 being registered as a property finder under G.S. 116B-78(f) or prior to licensure as a private
23 investigator. Failure to comply with this subsection may result in the denial of the property
24 finder's registration for a period of up to one year.

25 (c) A property finder shall not initiate a claim with the Treasurer at any time prior to
26 obtaining a valid agreement with an owner or apparent owner. Failure to comply with this section
27 may result in the suspension of the property finder's registration for a period of up to one year.

28 (d) If a property finder enters into an agreement to locate property that does not comply
29 with G.S. 116B-78, then the Treasurer may suspend the property finder's registration for a period
30 of up to one year.

31 (e) A property finder with a suspended registration is prohibited from conducting
32 business with the Unclaimed Property Division. Any pending or potential claims shall be denied
33 during any period of suspension."

34 **SECTION 6.** This act becomes effective January 1, 2022, and applies to agreements
35 entered into on or after that date.