

Enrolled
House Bill 4074

Sponsored by Representative SOLLMAN, Senator HASS; Representatives BARKER, BONHAM, BOONE, BYNUM, ESQUIVEL, EVANS, FAHEY, GORSEK, GREENLICK, HELM, HERNANDEZ, KENY-GUYER, LEWIS, LIVELY, MALSTROM, MARSH, MCKEOWN, MCLAIN, MEEK, NOBLE, NOSSE, PILUSO, REARDON, RESCHKE, SALINAS, SANCHEZ, SMITH DB, SMITH WARNER, SPRENGER, VIAL, WILLIAMSON, WITT, Senators FREDERICK, GELSER, JOHNSON, RILEY (Presession filed.)

CHAPTER

AN ACT

Relating to escheat of United States savings bonds; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 2 of this 2018 Act is added to and made a part of ORS 98.302 to 98.436.

SECTION 2. (1) As used in this section, “U.S. savings bonds” or “bonds” means:

(a) U.S. savings bonds, series A, B, C, D, E, F, G, H, J and K, and U.S. savings notes, governed by 31 C.F.R. 315;

(b) Definitive United States savings bonds, series EE and HH, governed by 31 C.F.R. 353; and

(c) Definitive United States savings bonds, series I, governed by 31 C.F.R. 360.

(2) Notwithstanding any other provision of law, U.S. savings bonds subject to the custody of the State of Oregon as unclaimed property shall escheat to the state only in accordance with this section.

(3) The holder of U.S. savings bonds presumed abandoned under ORS 98.302 to 98.436 shall report, and deliver possession of, the bonds to the administrator.

(4) After obtaining possession of the U.S. savings bonds under subsection (3) of this section, the administrator shall cause:

(a) Each person listed on the face of the bonds, each apparent owner of the bonds and each person otherwise appearing to be an owner of the bonds to be contacted at the last-known address of the person; and

(b) Notice of the bonds to be published of the bonds in such form as in the discretion of the administrator is most likely to attract the attention of all persons having a legal or beneficial interest in the bonds.

(5) The notice required under subsection (4)(b) of this section must contain the following information:

(a) The name of each person described in subsection (4)(a) of this section;

(b) The last-known address or location of each person described in subsection (4)(a) of this section, if known by the administrator;

(c) A statement explaining that the U.S. savings bonds are presumed to be abandoned and have been taken into the protective custody and possession of the administrator;

(d) A statement that information about the U.S. savings bonds can be obtained upon inquiry to the administrator at any time by any person having a legal or beneficial interest in the bonds;

(e) A statement that a claim for the U.S. savings bonds may be made under ORS 98.392;

(f) A description of the escheat proceedings under this section; and

(g) Any other information the administrator considers appropriate or necessary to locate all persons having a legal or beneficial interest in the bonds.

(6) The administrator shall create and maintain on the official website of the Department of State Lands a webpage on which the public may obtain information about U.S. savings bonds in the custody and possession of the administrator as unclaimed property.

(7) If no person has been identified as the owner of U.S. savings bonds within three years after the first public notice provided under subsection (4)(b) of this section with respect to the bonds:

(a) Title to the bonds shall vest in the State of Oregon; and

(b) The administrator may seek an order from the Marion County Circuit Court escheating the bonds to the State of Oregon.

(8) The Marion County Circuit Court shall issue an order escheating U.S. savings bonds to the State of Oregon if the court determines that:

(a) With respect to the bonds, all provisions of this section have been complied with; and

(b) The bonds:

(A) Have, within the meaning of the applicable federal regulations, reached the final extended maturity date or the final maturity, or have stopped earning interest;

(B) Are in the possession of the state; and

(C) Have been abandoned by all persons entitled to payment for the bonds under the applicable federal regulations.

(9)(a) Upon issuance of an order of escheat with respect to U.S. savings bonds, the administrator may apply to the United States Treasury for payment to the state for the bonds.

(b) ORS 98.386 applies to any payments received by the state pursuant to this subsection.

(10)(a) U.S. savings bonds escheated to the state under this section or the amount of any payments received by the state for the bonds may be recovered by a claim filed by or on behalf of any person having a legal or beneficial interest in the bonds that did not have actual knowledge of the escheat proceedings with respect to the bonds or that at the time of the order of escheat was unable to prove entitlement to the bonds.

(b) The claim shall be made by a petition filed with the administrator. The claim shall be considered a contested case for purposes of ORS chapter 183 and a person adversely affected or aggrieved by a final order with respect to the claim is entitled to judicial review under ORS 183.480.

(c) The petition must include a declaration made under penalty of perjury in the form required by ORCP 1 E, or an unsworn declaration under ORS 194.800 to 194.835, if the declarant is physically outside the boundaries of the United States, and must state:

(A) The age and place of residence of the claimant by whom or on whose behalf the petition is filed;

(B) That the claimant is lawfully entitled to the U.S. savings bonds or the amount of the payments received by the state for the bonds;

(C) That at the time the bonds escheated to the state, the claimant had no actual knowledge of the escheat proceedings or was unable to prove entitlement to the bonds and has subsequently acquired new evidence of that entitlement;

(D) That the claimant claims the bonds or the payments received by the state for the bonds as an heir or devisee, or as the personal representative of the estate of an heir or devisee, setting forth the relationship, if any, of the claimant to the decedent who at the time of death was the owner of the bonds; and

(E) If the petition is not filed by the claimant, the status of the petitioner.

(d) If it is determined that the claimant is entitled to the bonds or the payments received by the state for the bonds, the administrator shall deliver the bonds or the payments received for the bonds to the claimant, after deduction of any costs and expenses of the state in connection with the escheat proceedings and the claim hearing.

(e) A claimant is not entitled to payment of interest on payments received by the state for the bonds earned during the period in which title to the bonds was vested in the State of Oregon in accordance with this section.

(11) This section does not apply to a claim of title by the state to U.S. savings bonds as heir to a deceased owner.

SECTION 3. This 2018 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2018 Act takes effect on its passage.

Passed by House March 3, 2018

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Timothy G. Sekerak, Chief Clerk of House

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Tina Kotek, Speaker of House

Passed by Senate March 3, 2018

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Peter Courtney, President of Senate

Received by Governor:

.....M,....., 2018

Approved:

.....M,....., 2018

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2018

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Dennis Richardson, Secretary of State