

# House Bill 4074

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

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Provides proceedings to escheat to State of Oregon matured United States savings bonds presumed abandoned and in custody of state. Authorizes Director of Department of State Lands to seek payment for escheated bonds from United States Treasury.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to escheat of United States savings bonds; and declaring an emergency.

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

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

5 **SECTION 2. (1) As used in this section, "U.S. savings bonds" or "bonds" means:**

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

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

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

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

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

16 (4) After obtaining possession of the U.S. savings bonds under subsection (3) of this sec-  
17 tion, the administrator shall cause:

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

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

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

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

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

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

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

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

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

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

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

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

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

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

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

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

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

22 (b) The bonds:

23 (A) Have, within the meaning of the applicable federal regulations, reached the final ex-  
24 tended maturity date or the final maturity, or have stopped earning interest;

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

26 (C) Have been abandoned by all persons entitled to payment for the bonds under the ap-  
27 plicable federal regulations.

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

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

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

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

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

43 (A) The age and place of residence of the claimant by whom or on whose behalf the pe-  
44 tition is filed;

45 (B) That the claimant is lawfully entitled to the U.S. savings bonds or the amount of the

1 payments received by the state for the bonds;

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

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

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

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

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

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

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

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