

SENATE BILL NO. 603

BY SENATOR ALARIO

1 AN ACT

2 To enact R.S. 9:182, relative to unclaimed property; to provide a procedure for the
3 escheatment of United States savings bonds presumed abandoned; and to provide for
4 related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 9:182 is hereby enacted to read as follows:

7 **§182. United States savings bonds; escheatment procedures**

8 **A. Notwithstanding any contrary provisions of law, United States**
9 **savings bonds which are unclaimed property and subject to the provisions of**
10 **this Chapter, shall escheat to the state three years after becoming unclaimed**
11 **property by virtue of the provisions of this Chapter, and all property rights and**
12 **legal title to and ownership of such United States savings bonds or proceeds**
13 **from such bonds, including all rights, powers, and privileges of survivorship of**
14 **any owner, co-owner or beneficiary, shall vest solely in the state according to the**
15 **procedure set forth in Subsections B through F of this Section.**

16 **B. Within one hundred eighty days after the three years prescribed in**
17 **Subsection A of this Section, if no claim has been filed in accordance with the**
18 **provisions of this Chapter for such United States savings bonds, the**
19 **administrator shall commence a civil action in the Nineteenth Judicial District**
20 **Court for a determination that such United States savings bonds shall escheat**

1 to the state. The administrator may postpone the bringing of such action until
2 sufficient United States savings bonds have accumulated in the custody of the
3 administrator to justify the expense of such proceedings.

4 C.(1) The administrator shall make service by publication of the
5 proceeding in the Nineteenth Judicial District Court in East Baton Rouge Parish
6 in accordance with R.S. 9:161. The notice shall name any defendant to be served
7 and notify the defendant of the following:

8 (a) The defendant has been sued in the Nineteenth Judicial District
9 Court.

10 (b) The defendant shall answer the petition or other pleading or
11 otherwise defend, on or before a specified date, not less than forty-one days
12 after the date the notice is first published.

13 (c) If the defendant does not answer or otherwise defend, the petition or
14 other pleading will be taken as true and judgment, the nature of which will be
15 stated, will be rendered accordingly.

16 (2) In addition, before service by publication under this Section can be
17 made, the administrator or the administrator's attorney shall file with the court
18 an affidavit or a declaration stating all of the following facts that apply:

19 (a) The residences of all named defendants sought to be served, if
20 known, and the names of all defendants whose residences are unknown after
21 reasonable effort to ascertain them and the specific efforts made to ascertain
22 their residences.

23 (b) The affiant or declarant has made a reasonable but unsuccessful
24 effort to ascertain the names and residences of any defendants sought to be
25 served as unknown parties and the specific efforts made to ascertain the names
26 and residences.

27 (c) The party seeking service by publication is unable to obtain service
28 of summons on the defendants in this state.

29 (d) The case is one in which the party with due diligence is unable to
30 serve summons on the defendant in this state and either:

1 (i) The case relates to or involves immovable or movable property in this
2 state, if any defendant has or claims a lien or interest, vested or contingent, in
3 the property.

4 (ii) In which the relief demanded consists wholly or partly in excluding
5 the defendant from any interest in the property.

6 D. If no person shall file a claim or appear at the hearing to substantiate
7 a claim or where the court determines that a claimant is not entitled to the
8 property claimed by such claimant, then the court, if satisfied by evidence that
9 the administrator has substantially complied with state law, shall enter a
10 judgment that the subject United States savings bonds have escheated to the
11 state, and all property rights and legal title to and ownership of such United
12 States savings bonds or proceeds from such bonds, including all rights, powers
13 and privileges of survivorship of any owner, co-owner or beneficiary, shall vest
14 solely in the state.

15 E. The administrator shall redeem such United States savings bonds
16 escheated to the state and the proceeds from such redemption of United States
17 savings bonds shall be deposited in the state treasury to the credit of the state
18 general fund. The administrator shall not deposit the proceeds from the
19 redemption of the United States savings bonds in the Bond Security and
20 Redemption Fund nor in the Unclaimed Property Leverage Fund in accordance
21 with the provisions of R.S. 9:165.

22 F. Any person making a claim for the United States savings bonds
23 escheated to the state under this Section, or for the proceeds from such bonds,
24 may file a claim in accordance with the provisions of this Chapter. Upon
25 providing sufficient proof of the validity of such person's claim, the
26 administrator may, in his sole discretion, pay such claim in accordance with the
27 provisions of this Chapter.

28 Section 2. This Act shall become effective upon signature by the governor or, if not
29 signed by the governor, upon expiration of the time for bills to become law without signature
30 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____