

FILED MAR 3 1971

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SENATE FILE **325**

By MOWRY
(Pelton)

Passed Senate, Date 5-3-71 Passed House, Date 5-12-71
Vote: Ayes 41 Nays 0 Vote: Ayes 86 Nays 1
Approved 5-20-71

A BILL FOR

1 An Act relating to escheat of unclaimed postal savings
2 system accounts.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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Certification of Publication
Marshalltown Times-Republican 5/24
The Grundy Register 5/27

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1 Section 1. Chapter five hundred fifty-six (556), Code 1971,
2 is amended by adding the following new division.

3 ESCHEAT OF POSTAL SAVINGS SYSTEM ACCOUNTS

4 Sec. 2. DECLARATION OF ESCHEAT. All postal savings system
5 accounts created by the deposits of persons whose last known
6 addresses are in this state which have not been claimed by
7 the persons entitled thereto before May 1, 1971, are presumed
8 to have been abandoned by their owners and are declared to
9 escheat and become the property of this state.

10 Sec. 3. OBTAINING INFORMATION ON ACCOUNTS. The treasurer
11 of state shall request from the bureau of accounts of the
12 United States treasury department records providing the follow-
13 ing information: The names of depositors at the post offices
14 of this state whose accounts are unclaimed, their last addresses
15 as shown by the records of the post office department and the
16 balance in each account. He shall agree to return to the
17 bureau of accounts promptly all account cards showing last
18 addresses in another state.

19 Sec. 4. PROCEEDING TO ADJUDICATE ESCHEAT. The treasurer
20 of state may bring proceedings in the district court for the
21 county where the state capitol is located to escheat unclaimed
22 postal savings system accounts held by the United States trea-
23 sury department. A single proceeding may be used to escheat
24 as many accounts as may be available for escheat at one time.

25 Sec. 5. NOTICE. The treasurer of state shall notify
26 depositors whose accounts are to be escheated as follows:

27 1. A letter advising that a postal savings system account
28 in the name of the addressee is about to be escheated and
29 setting forth the procedure by which a deposit may be claimed
30 shall be mailed by first class mail to the named depositor at
31 the last address shown on the account records for each account
32 to be escheated having an unpaid principal balance of more
33 than twenty-five dollars.

34 2. A general notice of intention to escheat postal savings
35 system accounts shall be published once in each of three suc-

1 cessive weeks in one or more newspapers which combine to
2 provide general circulation throughout this state.

3 3. A special notice of intention to escheat the unclaimed
4 postal savings system accounts originally deposited in each
5 post office must be published once in each of three successive
6 weeks in a newspaper published in the county in which the post
7 office is located or, if there is none, in a newspaper having
8 general circulation in the county. This notice must list the
9 names of the owners of each unclaimed account to be escheated
10 having a principal balance of three dollars or more.

11 Sec. 6. COLLECTION AND DEPOSIT OF FUNDS. The treasurer of
12 state shall present a copy of each final judgment of escheat
13 to the United States treasury department for payment of the
14 principal due and the interest computed under regulations of
15 the United States treasury department. The payment received
16 shall be deposited in the general fund in the state treasury.

17 Sec. 7. INDEMNIFICATION OF THE UNITED STATES. This state
18 shall indemnify the United States for any losses suffered as
19 a result of the escheat of unclaimed postal savings system
20 accounts. The burden of the indemnification falls upon the
21 fund into which the proceeds of the escheated accounts have
22 been paid.

23 Sec. 8. SHORT TITLE. This Act may be cited as the "Escheat
24 of Postal Savings System Accounts Act".

25 Sec. 9. This Act, being deemed of immediate importance,
26 shall take effect and be in force from and after its publica-
27 tion in the Marshalltown Times-Republican, a newspaper published
28 in Marshalltown, Iowa, and in The Grundy Register, a newspaper
29 published in Grundy Center, Iowa.

30 EXPLANATION

31 This Act, which adds to the Disposition of Unclaimed Property
32 chapter of the Code, provides a method whereby abandoned postal
33 savings system accounts will escheat to the state. It is
34 a uniform Act.

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LSB 1106