

Committee on Banking and Insurance

HB 887 — Unclaimed Property

by Rep. Trumbull (SB 1138 by Senator Brandes)

The bill creates a process under Florida's Uniform Unclaimed Property Act, whereby the Department of Financial Services (DFS) may commence a civil action for a determination that a U.S. savings bonds may escheat to the State of Florida. The bill specifies that a U.S. savings bond in the possession of the DFS or registered to a person with a last known address in the state is presumed abandoned and unclaimed 5 years after the bond reaches maturity and no longer earns interest. Once such U.S. savings bonds are abandoned and unclaimed, the DFS may file a civil action in a court of competent jurisdiction in Leon County, Florida for a determination that the bond escheats to the state. Prior to any escheat hearing, the DFS must undertake specific efforts to notify registered owners, co-owners, and beneficiaries of the escheat proceedings through notice of publication, as it must do when parties cannot be found through reasonable and customary due diligence efforts. If a person files a claim for a bond, and the court determines the claimant is entitled to the bond, judgment is entered for the claimant. If no person files a claim with the court for the bond, or the court determines the claimant is not entitled to the bond or its proceeds, the court is to enter a default judgment that the bond or its proceeds has escheated to the state.

If the DFS obtains title to these bonds, it places the DFS in the same position as the record owner of the bond, which is necessary to recover proceeds from the Treasury. Once the DFS obtains title to these bonds, it may petition the Treasury for redemption of these bonds in possession, and if necessary, to render a full accounting of the necessary information of absent bonds, which would identify the class of bonds registered with the last known address in Florida. If the proceeds from such bonds are received by the DFS, the bill requires the proceeds to be deposited in the same manner as other forms of unclaimed property in accordance with s. 717.123, F.S.

Once bonds escheat to the state, the owners, co-owners, and beneficiaries may recover a bond or the proceeds from a bond by making a claim to the DFS and providing sufficient proof of the validity of the claim.

If approved by the Governor, these provisions take effect July 1, 2015.

Vote: Senate 37-0; House 117-0