

THE COUNCIL OF STATE GOVERNMENTS

RESOLUTION SUPPORTING THE RETURN OF UNCLAIMED U.S. SAVINGS BONDS TO THEIR RIGHTFUL OWNERS

Supporting the efforts of state unclaimed property programs to find the rightful owners of fully matured United States Savings Bonds

WHEREAS, the United States Department of the Treasury holds more than \$11 billion in matured, unredeemed United States savings bonds. These bonds are no longer accruing interest and the aggregate amount of these matured, unredeemed bonds is increasing by approximately \$500 million annually. The total number of matured, unredeemed savings bonds is estimated at 25 million bonds; and

WHEREAS, officials of the United States Department of the Treasury have stated that their agency lacks the legal authority to turn over to the states any funds representing matured, unredeemed savings bonds, nor the ability to identify the names and last-known addresses of the vast majority of the owners matured, unredeemed savings bonds issued prior to 1974, nor has the effective systems in place to identify, locate, contact and pay the owners of these unredeemed bonds; and

WHEREAS, under common and escheat law, the states are charged with the responsibility of locating missing owners of matured, unredeemed savings bonds and reuniting these owners with their lost assets; and

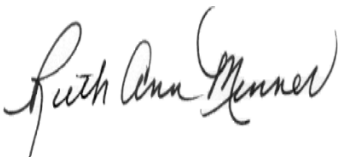
WHEREAS, since 1999, the National Association of State Treasurers has sought to work cooperatively with the Department of the Treasury to reunite owners of matured, unredeemed United States savings bonds with their property. State treasurers have proposed numerous, creative approaches to facilitate outreach and reunification, and have requested that the Department of the Treasury consider state request to redeem savings bonds retrieved from abandoned safe deposit boxes. The Department has raised various concerns, which the state treasurers have attempted to resolve. To date, the Department has not turned over any bonds or underlying owner information to the states; and

WHEREAS, the states already have in place unparalleled and effective outreach programs that annually result in over \$1 billion of lost or unclaimed property being returned to the owners of this property. State treasurers administer unclaimed property programs in 33 states and the District of Columbia and the Commonwealth of Puerto Rico; and

WHEREAS, the state unclaimed property programs, through the National Association of State Treasurers, have developed a legislative proposal to mandate the establishment of a program designed to leverage existing state unclaimed property laws in order to return matured, unredeemed savings bonds to their rightful owners. The legislative proposal details the compilation and dissemination of owner data to the states, the facilitation of the claims process, and the remittance of any residual unclaimed funds to the states.

BE IT NOW THEREFORE RESOLVED, that The Council of State Governments does hereby endorse and support the efforts of the National Association of State Treasurers to establish an effective system of returning matured, unredeemed savings bonds to their rightful owners.

Adopted this 8th Day of June, 2005 at the
CSG National Committee and Task Force Meetings
In Lake Tahoe, California



Governor Ruth Ann Minner
2005 CSG President

Assemblyman Lynn Hettrick
2005 CSG Chair