

RESOLUTION

CREATING A FRAMEWORK FOR RETURNING U.S. UNCLAIMED SAVINGS BONDS TO THEIR RIGHTFUL OWNERS

Supporting legislation to partner the United States Department of the Treasury with state unclaimed property programs to find the rightful owners of fully matured Savings Bonds and facilitate the return of their bond proceeds

WHEREAS, The U.S. Treasury Department (“Department”) holds over \$16.5 billion in matured, unredeemed U.S. savings bonds. These bonds are no longer accruing interest. The total number of matured, unredeemed savings bonds is estimated to be over 40 million bonds. Included in this number are bonds retrieved by state unclaimed property programs from abandoned safe deposit boxes, bonds that the Department was unable to deliver to savings bonds purchasers, and savings bonds presumed to be in the possession of the owner. Officials of the Department have stated that the Department lacks the legal authority to turn over to the states any funds representing matured, unredeemed savings bonds; and

WHEREAS, The Department does not have the ability to identify the names and last known addresses of the vast majority of owners of matured, unredeemed savings bonds issued prior to 1974. According to a United States General Accounting Office Study, the Department does not have effective systems in place to identify, locate, contact and pay the owners of these matured bonds; and

WHEREAS, The Department, through its Bureau of Public Debt (“Bureau”), administers the sale and redemption of savings bonds. The Bureau has acknowledged its inability to actively engage in the return of moneys owed to holders of matured, unredeemed bonds, due to the monumental volume of bonds, the administrative costs required, and the limitations of the manual recordkeeping systems. The Bureau has questioned the efficacy of the Bureau undertaking outreach in that it did not begin collecting the social security numbers of savings bond purchasers until 1974, and were not mandatory until 1985; and

WHEREAS, Under law, the states are the parties charged with the responsibility of locating missing owners (including owners of matured, unredeemed savings bonds) and reuniting them with their lost assets. State treasurers administer unclaimed property programs in 33 states and the District of Columbia. The states already have in place unparalleled and effective outreach programs that have resulted in billions of dollars returned to outreach programs that have resulted in billions of dollars returned to owners of unclaimed property; and

WHEREAS, The National Association of State Treasurers together with the National Association of Unclaimed Property Administrators has worked with congressional sponsors to introduce legislation in the 111th Congress to implement a savings bond return program.

NOW, THEREFORE BE IT RESOLVED, that the National Association of State Treasurers supports enactment of legislation to establish a pilot project to demonstrate the capacity of the states to help in a federal-state partnership to make owners of matured, unredeemed savings bonds aware of their assets and facilitate the return of their bond proceeds.

Approved this 24th Day of August, 2010, by the
National Association of State Treasurers

A handwritten signature in cursive script, reading "James B. Lewis".

Hon. James B. Lewis
NAST President
New Mexico State Treasurer