

AMENDED IN SENATE AUGUST 19, 2015

AMENDED IN SENATE JUNE 23, 2015

AMENDED IN SENATE MAY 26, 2015

AMENDED IN ASSEMBLY MARCH 17, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 355

Introduced by Assembly Member Eduardo Garcia
(Coauthor: Senator Anderson)

February 17, 2015

An act to amend Section 1563 of, and to add Section 1531.6 to, the Code of Civil Procedure, relating to unclaimed property.

LEGISLATIVE COUNSEL'S DIGEST

AB 355, as amended, Eduardo Garcia. Unclaimed property: safe deposit boxes.

Existing law, the Unclaimed Property Law, governs the disposition of unclaimed property, including the escheat of certain property to the state. Existing law provides for the escheat to the state of the contents of, or proceeds of sale of the contents of, any safe deposit box or any other safekeeping repository held in the state by a business association, as specified. In cases where the contents of a safe deposit box or other safekeeping repository escheat to the state, existing law requires the business association to report to the Controller certain information regarding the property and owner, including a description of the property and the place where it is held and may be inspected by the Controller. Within 165 days after the final date for filing the report, existing law requires the Controller to mail a notice to each person having an address

listed in the report who appears to be entitled to property escheated, as specified.

This bill would additionally authorize the Controller to mail a separate notice to an apparent owner of a United States savings bond, war bond, or military award inside a safe deposit box or other safekeeping repository whose name is shown on or can be associated with the contents of a safe deposit box or other safekeeping repository and is different from the name of the reported owner.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1531.6 is added to the Code of Civil
- 2 Procedure, to read:
- 3 1531.6. (a) In addition to the notices required pursuant to this
- 4 chapter, the Controller may mail a separate notice to an apparent
- 5 owner of a United States savings bond, war bond, or military award
- 6 whose name is shown on or can be associated with the contents
- 7 of a safe deposit box or other safekeeping repository and is different
- 8 from the reported owner of the safe deposit box or other
- 9 safekeeping repository.
- 10 (b) A notice sent pursuant to this section shall not contain a
- 11 photograph or likeness of an elected official.
- 12 (c) (1) Notwithstanding any other law, upon request of the
- 13 Controller, a state or local governmental agency may furnish to
- 14 the Controller from its records the address or other identification
- 15 or location information that could reasonably be used to locate an
- 16 owner of unclaimed property.
- 17 (2) If the address or other identification or location information
- 18 requested by the Controller is deemed confidential under any law
- 19 or regulation of the state, it shall nevertheless be furnished to the
- 20 Controller. However, neither the Controller nor any officer, agent,
- 21 or employee of the Controller shall use or disclose that information,
- 22 except as may be necessary in attempting to locate the owner of
- 23 unclaimed property.
- 24 (3) This subdivision shall not be construed to require disclosure
- 25 of information in violation of federal law.

1 (4) If a fee or ~~change~~ *charge* is customarily made for the
2 information requested by the Controller, the Controller shall pay
3 the customary fee or charge.

4 (d) Costs for administering this section shall be subject to the
5 level of appropriation in the annual Budget Act.

6 SEC. 2. Section 1563 of the Code of Civil Procedure is
7 amended to read:

8 1563. (a) Except as provided in subdivisions (b) and (c), all
9 escheated property delivered to the Controller under this chapter
10 shall be sold by the Controller to the highest bidder at public sale
11 in whatever city in the state affords in his or her judgment the most
12 favorable market for the property involved, or the Controller may
13 conduct the sale by electronic media, including, but not limited
14 to, the Internet, if in his or her judgment it is cost effective to
15 conduct the sale of the property involved in that manner. However,
16 no sale shall be made pursuant to this subdivision until 18 months
17 after the final date for filing the report required by Section 1530.
18 The Controller may decline the highest bid and reoffer the property
19 for sale if he or she considers the price bid insufficient. The
20 Controller need not offer any property for sale if, in his or her
21 opinion, the probable cost of sale exceeds the value of the property.
22 Any sale of escheated property held under this section shall be
23 preceded by a single publication of notice thereof, at least one
24 week in advance of sale, in an English language newspaper of
25 general circulation in the county where the property is to be sold.

26 (b) Securities listed on an established stock exchange shall be
27 sold at the prevailing prices on that exchange. Other securities may
28 be sold over the counter at prevailing prices or, with prior approval
29 of the California Victim Compensation and Government Claims
30 Board, by any other method that the Controller may determine to
31 be advisable. These securities shall be sold by the Controller no
32 sooner than 18 months, but no later than 20 months, after the final
33 date for filing the report required by Section 1530. If securities
34 delivered to the Controller by a holder of the securities remain in
35 the custody of the Controller, a person making a valid claim for
36 those securities under this chapter shall be entitled to receive the
37 securities from the Controller. If the securities have been sold, the
38 person shall be entitled to receive the net proceeds received by the
39 Controller from the sale of the securities. United States government
40 savings bonds and United States war bonds shall be presented to

1 the United States for payment. Subdivision (a) does not apply to
2 the property described in this subdivision.

3 (c) (1) All escheated property consisting of military awards,
4 decorations, equipment, artifacts, memorabilia, documents,
5 photographs, films, literature, and any other item relating to the
6 military history of California and Californians that is delivered to
7 the Controller is exempt from subdivision (a) and may, at the
8 discretion of the Controller, be held in trust for the Controller at
9 the California State Military Museum and Resource Center, or
10 successor entity. All escheated property held in trust pursuant to
11 this subdivision is subject to the applicable regulations of the
12 United States Army governing Army museum activities as
13 described in Section 179 of the Military and Veterans Code. Any
14 person claiming an interest in the escheated property may file a
15 claim to the property pursuant to Article 4 (commencing with
16 Section 1540).

17 (2) The California State Military Museum and Resource Center,
18 or successor entity, shall be responsible for the costs of storage
19 and maintenance of escheated property delivered by the Controller
20 under this subdivision.

21 (d) The purchaser at any sale conducted by the Controller
22 pursuant to this chapter shall receive title to the property purchased,
23 free from all claims of the owner or prior holder thereof and of all
24 persons claiming through or under them. The Controller shall
25 execute all documents necessary to complete the transfer of title.