

SENATE BILL REPORT

SB 6311

As of January 18, 2018

Title: An act relating to lost or destroyed state warrants, bonds, and other instruments.

Brief Description: Concerning lost or destroyed state warrants, bonds, and other instruments.

Sponsors: Senators Mullet and Angel; by request of State Treasurer.

Brief History:

Committee Activity: Financial Institutions & Insurance: 1/18/18.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Modifies requirements for the state treasurer to manage lost or destroyed warrants, bonds, and other instruments and provides definitions.
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SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Staff: Jeff Olsen (786-7428)

Background: When a state warrant, bond, or other instrument or evidence of indebtedness is lost or destroyed, a duplicate in lieu of the original may be issued. The duplicate instrument must bear the same number, class, or designation as the original and must be for the same amount. The word duplicate must appear on the face of the new instrument. Duplicates are subject in all other respects to the same provisions of law as the original instruments.

Before issuing a duplicate instrument, the state treasurer or other issuing officer must require the person applying for the duplicate to file an affidavit specifically alleging:

- that the applicant is the proper owner, payee, or legal representative of the owner or payee of the original instrument;
- the date of issue, number, amount, and for what services, claim, or purpose the original instrument or series of instruments of which it is a part was issued;
- that the original instrument has been lost or destroyed; and
- that the original instrument has not been paid or received by the applicant.

The state treasurer or other issuing officer must keep a full and complete record of all warrants, bonds, or other instruments alleged to have been lost or destroyed and the issuance

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of any duplicates, as well as a list of all original warrants, bonds, or other instruments cancelled. If an original and its duplicate instrument are both presented for payment as a result of forgery or fraud, the issuing officer must endeavor to recover any losses suffered by the state.

Summary of Bill: The requirement for the state treasurer to keep lists of canceled warrants, bonds or other instruments is clarified. Definitions for terms are added including defining the term cancel or cancellation to mean void, and the term redeem or redemption to mean to clear or pay. An issuing officer is no longer responsible for recovering any losses caused by a person through forgery or fraud by attempting to cash both an original and duplicate instrument. Duplicate instruments are not required to bear the same number, class or designation as the original, and the word duplicate is not required to appear on the face of the new instrument.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This is a technical bill that will result in savings in both time and money where both an original and duplicate instrument has cleared.

Persons Testifying: PRO: Shawn Myers, Office of the State Treasurer.

Persons Signed In To Testify But Not Testifying: No one.