

2024 -- S 2909

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

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A N A C T

RELATING TO COURTS AND CIVIL PROCEDURE -- COURTS -- CONDITIONAL
ESCHEAT OF UNCLAIMED FUNDS IN COURT REGISTRIES

Introduced By: Senator F. Lombardi

Date Introduced: March 22, 2024

Referred To: Senate Judiciary

(Judiciary)

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 8-12-1, 8-12-2 and 8-12-3 of the General Laws in Chapter 8-12
2 entitled "Conditional Escheat of Unclaimed Funds in Court Registries" are hereby amended to read
3 as follows:

4 ~~8-12-1. Report of unclaimed funds in court registries. Report of unclaimed funds held~~
5 ~~by the courts.~~

6 (a) The clerks of the supreme, superior, family, district, workers' compensation courts and
7 the traffic tribunal shall, every year during the month of July, ~~return~~ report to the state court
8 administrator those funds which have been on deposit ~~in the registry of the respective court~~ for a
9 period of ~~five (5) years~~ one year or more as of the last business day of June of that year. A sworn
10 statement listing all money or funds shall also be submitted.

11 (b) The statement shall contain as to each deposit or fund:

12 (1) The number, deposit type, and title of the case and the date of the ~~order~~ deposit entered
13 on the case in accordance with which the money was ~~paid into the registry of~~ received by the court;

14 (2) The name and address of the person, persons, firm, or corporation who paid the money
15 into the registry of the court so far as the name and address appears of record;

16 (3) The name and address of the person, persons, firm, or corporation entitled to the money
17 in the registry so far as the name and address appear of record in the case or are otherwise known
18 to the clerk;

1 (4) The amount and date of the deposit in the registry of the court and the amount including
2 accretions from interest or otherwise at the date of the statement; ~~and~~

3 (5) An assertion as to whether or not any claim to the deposit or fund or portion thereof is
4 being actively prosecuted by any person and/or whether such claim has been made during the five
5 (5) years prior to the last business day of June of that year; ~~and~~

6 (6) An assertion as to whether or not a deposit or fund or portion thereof should be deemed
7 as unclaimed.

8 **8-12-2. Deposit of unclaimed funds.**

9 If, upon examination of the sworn statement required to be filed by the several clerks under
10 the provisions of § 8-12-1, it appears to the state court administrator that there are deposits ~~in the~~
11 ~~registry~~ of the supreme court, the superior court, the family court, the district court, the workers'
12 compensation court and/or the traffic tribunal that ~~have been~~ are unclaimed by any person prima
13 facie entitled to the deposits, or his or her or its representative, ~~for a period of five (5) years~~
14 ~~preceding the last business day of June of the then current year,~~ then all of those unclaimed deposits
15 in the registry of the applicable court, together with any interest on the deposit, shall be paid to the
16 general fund to be held and used by the administrator of the state courts as approved by the chief
17 justice of the supreme court subject to being repaid to the person(s), firm(s) or corporation(s) who
18 may subsequently establish a lawful right to the deposit as provided in § 8-12-3 or escheated to the
19 general treasurer.

20 **8-12-3. Claim for escheated funds.**

21 (a) Any person who claims a right to money or funds paid to the general fund by the
22 supreme court, the superior court, the family court, the district court, the workers' compensation
23 court and/or the traffic tribunal pursuant to § 8-12-2, may file a complaint in the superior court
24 within and for the county of Providence within ~~three (3)~~ ten (10) years after the funds are deposited
25 in the general fund. The complaint shall be subject to the superior court rules of civil procedure and
26 shall follow the course of equity. The complaint shall be filed against the state, and service of
27 process shall be made upon the administrator of the state courts in person or at his or her respective
28 office with someone in charge of the office. The attorney general shall appear and represent the
29 state in the action. The superior court shall hear the complaint, and in case the final determination
30 of the complaint is in favor of the plaintiff, the court shall enter its judgment directing the
31 administrator of the state courts to repay to the plaintiff so much of the fund as the plaintiff has
32 shown himself or herself entitled to receive, ~~together with interest at a rate not to exceed six percent~~
33 ~~(6%) per annum on that amount, together with the costs of the action as taxed, in accordance with~~
34 ~~the rules of civil procedure. The interest shall begin to accumulate on the date the sum is received~~

1 ~~by the general fund and shall cease on the earlier of fifteen (15) years following receipt or the date~~
2 ~~on which payment is made to the owner.~~ Upon issuance of the order, the clerk shall immediately
3 forward to the administrator of the state courts the execution based upon the judgment and including
4 costs as taxed. The general fund will pay the amount named in the execution to the party entitled
5 to the amount.

6 (b) In case the action is determined in favor of the state, the determination shall operate as
7 a final bar against the claimant or his or her or its representatives. In the event the action is decided
8 in favor of the claimant, review may be had by the supreme court in its discretion on petition for
9 writ of certiorari, which must be filed within twenty (20) days by the attorney general following
10 the judgment of the superior court.

11 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO COURTS AND CIVIL PROCEDURE -- COURTS -- CONDITIONAL
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1 This act would update the process by which the supreme court reports, holds, and escheats
2 unclaimed property in the court registries by allowing the finance unit of the supreme court to place
3 unclaimed funds into the general fund or escheat them to the general treasurer after one year as
4 opposed to the current five (5) years. It also increases the amount of time by which an individual
5 can seek to claim the funds from three (3) years to ten (10) years. These changes reflect best
6 practices in handling unclaimed funds.

7 This act would take effect upon passage.

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