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HOUSE BILL NO. 466

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee for Courts of Justice
on February 13, 2004)

(Patron Prior to Substitute—Delegate Drake)

*A BILL to amend and reenact § 55-210.18 of the Code of Virginia, relating to the State Treasurer; sale of abandoned property.***Be it enacted by the General Assembly of Virginia:****1. That § 55-210.18 of the Code of Virginia is amended and reenacted as follows:**

§ 55-210.18. Sale of abandoned property by administrator.

Except as provided in subsection (d) of this section:

(a) All abandoned property other than money or other certificate of ownership delivered to the administrator under this chapter shall be sold by him to the highest bidder at public sale (i) in ~~whatever~~ *such city or cities, within or outside the Commonwealth, as affords in his judgment the most favorable market for the property involved or* (ii) *through the use of electronic media in a format approved by the administrator.* The administrator may decline the highest bid and reoffer the property for sale if he considers the price bid insufficient. He need not offer any property for sale if, in his opinion, the probable cost of sale exceeds the value of the property.

(b) Any sale held under this section *within the Commonwealth* shall be preceded by a single publication of notice thereof, at least three weeks in advance of sale. *Such notice shall be published in an English language newspaper of general circulation in the county or city where the property is to be sold, if such sale is to take place in a city or county within the Commonwealth.* If ~~such~~ *any* sale is to occur outside the Commonwealth, then the administrator may use such ~~alternative means~~ *forms* of notice or advertising as he deems necessary to constitute reasonable notice, *including post, print, visual, telecommunications, electronic media or any combination thereof.* For the purposes of this section, *any sale through the use of electronic media, including the Internet, shall be deemed to be a sale outside of the Commonwealth.*

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

(d) Securities listed on an established stock exchange shall be sold at prices prevailing at the time of sale on the exchange. Other securities may be sold over the counter at prices prevailing at the time of sale or by any other method the administrator deems advisable.

(d1) Unless the administrator deems it to be in the best interest of the Commonwealth to do otherwise, all securities delivered to the administrator shall be held for at least one year before the securities may be sold. If the administrator sells any securities before the expiration of the one-year period, any person making a claim pursuant to this chapter before the end of the one-year period is entitled to either the proceeds of the sale of the securities or the market value of the securities at the time the claim is made, whichever amount is greater. Any person making a claim pursuant to this chapter after the expiration of the one-year period is entitled to receive either the securities delivered to the administrator by the holder, if they still remain in the hands of the administrator, or the proceeds received from sale, but no person has any claim under this chapter against the Commonwealth, the holder, any transfer agent, registrar, or other person acting for or on behalf of a holder for any appreciation in the value of the property occurring after delivery by the holder to the Commonwealth.

(d2) The purchaser of property at any sale conducted by the administrator pursuant to this chapter is entitled to ownership of the property purchased free from all claims of the owner or previous holder thereof and of all persons claiming through or under them. The administrator shall execute all documents necessary to complete the transfer of ownership.

(e) If the administrator determines after investigation that any property delivered to him pursuant to this chapter has insubstantial commercial value, he may destroy or otherwise dispose of the property at any time. No action or proceeding may be maintained against the Commonwealth or any officer or against the holder for or on account of any action taken by the administrator with respect to the property pursuant to this paragraph.