



Comptroller General
of the United States

Washington, D.C. 20548

B-230421

December 22, 1988

Dear Ms. :

Pursuant to your letter of February 16, 1987, we have reviewed your request for payment on two Postal Savings Certificates of \$2,500 each, plus interest accrued to March 1966, of \$2,048.68, for a combined total of \$7,048.68. The Department of Treasury denied your claim because the Postal Savings System Statute of Limitation Act, Pub. L. No. 98-359, 98 Stat. 402 (1984), bars claims against the Postal Savings System 1 year from its enactment on July 13, 1984. We agree.

The Postal Savings System was created in 1910, in response to the 1907 banking panic. Later in the century, however, a variety of factors combined to lessen the need and attractiveness of the Postal Savings System. The System soon became too expensive to maintain, and Congress terminated the System in March 1966. Pub. L. No. 89-377, 80 Stat. 92. At that time, payments of interest on deposits ceased, and efforts were made to return deposits. Unclaimed deposits, such as yours, were transferred to the Department of the Treasury as unclaimed monies.

Since this money was unclaimed, various states sought to recover it through escheat judgments rendered in their respective courts. In other words, the states believed that since the money was deposited by their citizens, any unclaimed funds should go to the appropriate state treasury. Some states, however, did not have escheat statutes, and given the costs of initiating such proceedings, Congress decided to distribute these funds on a pro rata basis among the various states and other political subdivisions. Pub. L. No. 92-117, 85 Stat. 337 (1971). Distributions to the states pursuant to Pub. L. No. 92-117, began in 1971, but at all times a balance was kept to pay any new claims presented. Finally, in July 1984, Congress passed the Postal Savings System Statute of Limitations Act, above,

which prohibited depositors from asserting claims for any Postal Savings System deposit 1 year after its enactment.


As mentioned previously, the statutory language of the Limitations Act is specific concerning claims against the Postal Savings System, and while limitation of claims for deposits may have unfortunate individual consequences, the Congress concluded that sufficient time had passed for depositors to come forward to present their claims. In reaching this conclusion, Congress considered the publicity surrounding the liquidation of the Postal Savings System in 1966, the letters of notification sent by the Postmaster to each depositor with an account of \$10 or more, and the notices provided to local media and posted in local post offices. The Department of the Treasury also provided notices to depositors when it received responsibility for administering the payment of claims. Pursuant to the Limitations Act, above, the Postal Service assisted the Treasury Secretary in providing public notices of the time limitation by posting notices in all post offices. Although in your case these notices did not have the desired effect, given Congress' unequivocal desire to bar future claims on any Postal Savings System deposit, we must deny your request for payment.

Finally, we have considered whether your case is appropriate for reporting to Congress under the Meritorious Claims Act, 31 U.S.C. § 3702(d). This act provides that when a claim is filed with our Office which in our judgment contains elements of legal liability or equity as to be deserving of the consideration of Congress, it shall be submitted to the Congress with our recommendation. Our Office has consistently held, however, that the Meritorious Claims Act may not be employed as a means to revive a claim covered by a specific limitation period provided by statute. B-124678 August 31, 1955; B-115724, August 7, 1953. Furthermore, when a time limit on filing claims is fixed by law, it is to be assumed that the Congress had reason for its action and expects observance thereof. 14 Comp. Gen. 324. Accordingly, we do not consider your claim appropriate for referral to Congress under the Meritorious Claims Act.

Of course, you are free to seek private relief from the Congress, and if you decide to pursue such legislation, you should contact the local office of the appropriate member of

the Illinois congressional delegation. Alternatively, since it is the State of Illinois that in effect has received the funds you requested, you may wish to pursue the possibility of seeking a private relief bill from the state legislature.

Sincerely yours,

for 
Comptroller General
of the United States