

REVENUE: Revenue impact issued

FISCAL: Fiscal impact issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Revenue by Prior Reference
Vote:	5 - 0 - 2
Yeas:	Berger, Edwards C., Esquivel, Holvey, Schaufler
Nays:	0
Exc.:	Rosenbaum, Smith P.
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	2/28, 3/9

WHAT THE MEASURE DOES: Reduces the dormancy period from five years to three years for unclaimed property held by financial institutions, insurance companies, and intangible equity ownership interests. Allows for the delay of funds or property to be delivered to the Department of State Lands if the delivery results in a penalty or forfeiture in paying interest. Changes the current requirement that a holder of unclaimed property provide notice by certified mail to a notice by first-class mail prior to imposing service charges, ceasing payment of interest, or levying fees. Allows electronic communication between the financial institution and the owner of a dormant or inactive financial account.

ISSUES DISCUSSED:

- Beneficiaries of unclaimed property
- Process of property/funds becoming unclaimed
- Process of notifying property owners
- Number of states in the west with processes similar to those proposed in the measure

EFFECT OF COMMITTEE AMENDMENT: Allows electronic communication between the financial institution and the owner of a dormant or inactive financial account.

BACKGROUND: Currently, holders of unclaimed property must submit the property to the Unclaimed Property Section of the Department of State Lands. Unclaimed property dormancy periods are based on fiscal years and the type of property that is being held. Dormancy periods include fifteen years, seven years, five years, three years, two years, and one year. HB 2104-A minimizes the variety of dormancy periods for property subject to unclaimed property statutes by reducing the period of time for which the holder is liable for maintaining the property's integrity. Furthermore, the bill changes the method for giving notice of impending service charges by a financial institution from certified mail to first class mail, reducing mailing costs.

HB 2104-A matches Oregon's dormancy periods with corresponding statutes in California and Washington, easing the reporting burden for holders that also report to these states.