

HB 2160 -2 STAFF MEASURE SUMMARY

House Committee On Emergency Management, General Government, and Veterans

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Meeting Dates: 1/26, 3/14

WHAT THE MEASURE DOES:

Amends abandonment presumptions for securities and distributions. Shortens the length of time until unpaid wages are presumed to be unclaimed from three years to one year. Establishes owners' rights to income or proceeds from unclaimed property held by State Treasurer until sale. Exempts certain records of State Treasurer related to unclaimed property examinations and claims from disclosure.

ISSUES DISCUSSED:

- Efforts to return unclaimed property to Oregonians
- Types of unclaimed property
- Difference between "stolen" and "unclaimed" wages

EFFECT OF AMENDMENT:

-2 Replaces original measure. Specifies securities subject to unclaimed property provisions and that securities and distributions are considered abandoned as of the earlier of three years following last communication from the owner or death of the owner. Outlines requirements for holders of abandoned securities and distributions. Provides that payment may not be made to beneficiaries in certain circumstances unless the beneficiary is at least 21 years of age. Clarifies that wages being declared unclaimed does not affect ability of worker to contest said wages. Codifies policy of completing due diligence process at least 60 days prior to holders report and remit unclaimed property to Treasury. Exempts from disclosure materials and communications collected as part of audit related to unclaimed properties.

FIS: Minimal fiscal impact on measure w/the -1 amendment

RIS: Minimal revenue impact on measure w/the -1 amendment

BACKGROUND:

The term "unclaimed property" can refer to any asset that is held by an organization such as a government entity, a business, or a nonprofit organization, for which the owner cannot be identified or located. Types of unclaimed property is typically in the form of financial assets such as bank accounts, stocks, uncashed checks and annuities, or tangible items such as items held in abandoned safe deposit boxes. Such assets must be reported by the holding entity to the Oregon State Treasury within one to three years, depending on the type of property, at which time it is held in perpetuity in the Common School Fund. Interest that accrues from these assets are used to support K-12 education.

The Oregon State Treasury maintains a website where people can search for potential unclaimed property. Treasury estimates that one in seven Oregonians have unclaimed property, and reports that over \$500 million in unclaimed property has been recovered by rightful owners in the last 25 years.