

HB 2160 A STAFF MEASURE SUMMARY

Carrier: Sen. Manning Jr

Senate Committee On Veterans, Emergency Management, Federal and World Affairs

Action Date: 05/02/23
Action: Do pass the A-Eng bill.
Vote: 4-1-1-0
Yeas: 4 - Manning Jr, President Wagner, Thatcher, Woods
Nays: 1 - Linthicum
Exc: 1 - Gorsek
Fiscal: Has minimal fiscal impact
Revenue: Has minimal revenue impact
Prepared By: Beverly Schoonover, LPRO Analyst
Meeting Dates: 4/27, 5/2

WHAT THE MEASURE DOES:

Establishes definitions for "distribution;" "notice;" "security;" and "wages." Sets security and distribution abandonment presumptions as the earliest of three years following the last communication from holder indicating the owner's interest in the property or three years following the owner's death. Outlines evidentiary requirements for securities and distributions and notice-to-owner requirements. Removes from abandonment presumptions certain presumed abandoned securities or distributions with owner-generated activity. Prevents payment to beneficiaries in certain circumstances unless the beneficiary is at least 21 years of age. Clarifies that wages being declared unclaimed do not affect ability of worker to contest said wages. Codifies policy of completing due diligence process at least 60 days prior to holder's report and remittance of unclaimed property to Treasury. Exempts from disclosure materials and communications collected as part of audit related to unclaimed properties.

ISSUES DISCUSSED:

- "Unclaimed property" definition
- Revised Unclaimed Property Act
- Process for individuals to recover unclaimed property in Oregon

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The term "unclaimed property" may refer to any asset held by an organization such as a government entity, a business, or a nonprofit organization, for which the owner cannot be identified or located. Typically, unclaimed property is in the form of financial assets like bank accounts, stocks, uncashed checks and annuities, or tangible 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; 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.

House Bill 2160 A defines securities and distributions subject to unclaimed property provisions and revises statutes related to unclaimed securities and distributions.