

SB 454 A -A3 STAFF MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: John Borden, Budget Analyst

Meeting Dates: 6/12

WHAT THE MEASURE DOES:

Transfers administration of Uniform Disposition of Unclaimed Property Act, unclaimed estates, and escheated property and funds from Oregon Department of State Lands (DSL) to Oregon State Treasurer. Requires DSL to transfer related records, property, and employees to Treasurer and Governor to resolve any disputes relating to transfer. Clarifies that transfer does not affect any pending action, proceeding, or prosecution or relieve any person of a liability, duty, or obligation. Specifies that Treasurer is continuation of DSL for purpose of transferring contracts, leases, and business transactions. Requires that administrative rules adopted by DSL continue until superseded or repealed by Treasurer. Eliminates additional requirements for recovering proceeds of unclaimed U.S. savings bonds. Takes effect on 91st day following adjournment sine die with operative dates for specific sections ranging from January 1, 2021, to January 1, 2023.

ISSUES DISCUSSED:

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EFFECT OF AMENDMENT:

-A3 The amendment extends various operative dates of the measure ranging from to July 1, 2021 to January 1, 2023.

BACKGROUND:

The Unclaimed Property Program has been operated by the Department of State Lands (DSL) for the last 62 years or since first being assigned the administration of the program by the Legislature in 1957. The program requires entities to report and remit certain tangible and intangible property to the state when the owner of such property cannot be located or contacted after a period of time. The program also administers estates for people who die without a will or without know heirs. The program's administrative and operational costs are covered by estate administrative fees and earnings from the Common School Fund. Currently, there is over \$600 million in the CSF is unclaimed property held in trust and invested by State Treasury as part of the CSF. Approximately \$50 million is remitted to DSL each year, roughly half of which is returned to the rightful owners. Unclaimed funds are held in Oregon's Common School Fund until claimed, and interest from those funds is sent to Oregon's public K-12 schools twice each year.