

REVENUE IMPACT OF PROPOSED LEGISLATION

74th Oregon Legislative Assembly
2007 Regular Session
Legislative Revenue Office

Bill Number:	HB2104A
Revenue Area:	School Finance
Economist:	Meyer
Date:	3/13/07

Measure Description:

Lowers unclaimed financial property dormancy period from 5 years to 3 years before property is transferred to the unclaimed property account in the Common School Fund. Applies to financial institutions, insurance companies and other holders of intangible equity ownership.

For automatically renewable property, allows owners consent to renew to be indicated by a financial institution sending a statement by first class mail or electronic mail without receiving notice that the statement is undeliverable.

Changes notification method from certified mail to first class mail for financial businesses to give notice to the owner of held assets before imposing service charges, stopping interest payments or levying fees.

Revenue Impact:

	2007-09 Biennium	2009-11 Biennium
Common School Fund Deposits	0	\$20-25 million
School District Distribution	0	\$7-8 million

Impact Explanation:

This is a one time speed up in unclaimed property transfers that applies to two years worth of dormant financial assets. Common School Fund deposits increase in the 2009-11 biennium with additional distributions to school districts. The initial increase is primarily due to the added funds increasing the growth of the Common School Fund and triggering an extra 0.5% distribution of the Fund for a year.

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