

REVENUE IMPACT OF PROPOSED LEGISLATION

74th Oregon Legislative Assembly 2007
Legislative Revenue Office

Bill Number: SB 67
Revenue Area: School Finance
Economist: Meyer
Date: 1/26/07

Measure Description:

Transfers the administration of unclaimed property statutes from the Department of State Lands to the State Treasurer. Requires the State Treasurer to report annually about unclaimed property collections, property claims and expenses to the State Land Board.

Requires the Department of Consumer and Business Services and the Office of the Secretary of State, if requested, to help the Treasurer identify who should file unclaimed property reports or make claims. Allows the Employment Department to give name and address information to the State Treasurer.

Replaces the Unclaimed Property Revolving Fund with an Unclaimed Property Account in the Common School Fund for paying claims and expenses.

Allows the Department of State Lands to pay State Treasurer expenses incurred between the effective date and July 1, 2008 in preparation for the transfer.

Takes effect July 1, 2007. Becomes operative July 1, 2008.

Revenue Impact:

(\$ Millions)	2007-08	2008-09	2007-09 Biennium	2009-11 Biennium
Unclaimed Property Account Earnings	0	-0.7	-0.7	0.6
School Districts	0	-.03	-.03	.02

Impact Explanation:

The Unclaimed Property Account will initially have a reduction in net earnings from mostly one-time office transfer costs. After the 2009-11 biennium these costs will likely be offset by increased earnings on the accumulated additional unclaimed property receipts. Net earnings should grow thereafter. The impact is primarily dependent on assumptions about (1) the Treasurer's office identifying additional unclaimed property and (2) the rate of earnings.

As additional unclaimed property receipts accumulate, the earnings on this property becomes part of the Common School Fund earnings and a portion will be distributed to school districts using State Land Board distribution policy.

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