

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	4 - 0 - 1
Yeas:	Beyer, Prozanski, Walker, Burdick
Nays:	0
Exc.:	Kruse
Prepared By:	Bill Taylor, Counsel
Meeting Dates:	3/7

WHAT THE MEASURE DOES: Clarifies the preference for surviving spouses to the bank account of his or her deceased spouse when the account is less than \$25,000. Applies to a bank account of a person whose death occurs on or after the effective date of this 2007 Act.

ISSUES DISCUSSED:

- Affidavit must include statement that the surviving spouse will pay, to the extent possible, expenses of last sickness, funeral expenses and just debts of the deceased depositor
- Bank account in individual's name

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Currently, Oregon law gives a preference to the surviving spouse in the bank accounts of his or her deceased spouse when the amount of the deposit is under \$25,000. The surviving spouse may access these funds without having to commence a formal probate proceeding or even a small estate proceeding by simply presenting to the bank an affidavit of heirship. Oregon law reflects an intent to prefer surviving spouses over others who may have claim to these funds including the State of Oregon. Some banks, however, will not give surviving spouses access to their deceased spouses' account with an affidavit of heirship until the Oregon Department of Human Services, Estate Recovery Unit, has had an opportunity to make a claim on the funds. In many cases, this leaves the surviving spouse unable to pay funeral expenses and living expenses.