

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass

Vote: 10 - 0 - 0

Yeas: Barton, Cameron, Garrett, Krieger, Olson, Shields, Smith J., Stiegler, Whisnant, Barker

Nays: 0

Exc.: 0

Prepared By: Shannon Sivell, Counsel

Meeting Dates: 5/18

WHAT THE MEASURE DOES: Transfers abandoned property from lawyer trust account to Oregon State Bar for benefit of funding Legal Services Program. Requires report to Department of State Lands (DSL) indicating property is lawyer trust account. Forwards any claims on the property to Oregon State Bar. Requires rulemaking by DSL and Oregon State Bar.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Currently, abandoned property is transferred to the DSL. Property becomes unclaimed if the owner cannot be contacted by the holder of the asset within a specified period of time. Examples of unclaimed property include savings or checking accounts, uncashed payroll or dividend checks, or safe-deposit-box contents. Unclaimed money is held in trust forever. Interest earnings benefit Oregon's kindergarten through grade 12 school children, along with other income earned by the DSL, through the Common School Fund.

Lawyer trust accounts are required for every practicing lawyer. Client funds are placed in the account. Any interest on those funds currently goes to fund the Legal Services Program. SB 687A requires abandoned property from those accounts to be transferred to the Oregon State Bar for benefit of the Legal Services Program.