

HOUSE AMENDMENTS TO HOUSE BILL 2740

By COMMITTEE ON HEALTH CARE

March 24

1 On page 1 of the printed bill, line 3, delete “prescribing an effective date” and insert “appro-
2 priating money”.

3 In line 7, after “Statistics” delete the rest of the line and lines 8 through 10 and insert “shall
4 send or deliver by secure electronic or other reasonable means on a quarterly basis to the State
5 Treasurer a data file containing the parents’ names and mother’s mailing address for each child born
6 in Oregon to residents of this state for the purpose of implementing section 5 of this 2011 Act. The
7 state registrar and the State Treasurer shall enter into an agreement to implement the provisions
8 of this section, including but not limited to the transfer, storage and destruction of data files.”.

9 On page 2, line 30, delete “Oregon 529 College Savings Board” and insert “State Treasurer”.

10 On page 3, delete lines 21 through 45 and insert:

11 **“SECTION 4. Sections 5 and 6 of this 2011 Act are added to and made a part of ORS
12 348.841 to 348.873.**

13 **“SECTION 5. (1) Within 30 days after receiving information about the birth of a child
14 from the State Registrar of the Center for Health Statistics under section 2 of this 2011 Act,
15 the State Treasurer shall notify the parents of the child whose birth information was re-
16 ceived of the opportunity to open an account under subsection (2) of this section for the
17 benefit of their child as designated beneficiary of the account. The notice shall be sent to the
18 address of the mother as received from the state registrar. The Oregon 529 College Savings
19 Board shall adopt rules specifying the contents of the notice. The notice must, at a mini-
20 mum, include the following:**

21 **“(a) The purpose of the account;**

22 **“(b) Actions the parents must take to establish an account in their names as account
23 owners, either individually or jointly;**

24 **“(c) How, when and for what purposes qualified withdrawals from the account may be
25 made; and**

26 **“(d) Other information as designated by the board by rule.**

27 **“(2) Upon receipt of an acknowledgment from one or both parents of a child on whose
28 behalf a notice was sent under subsection (1) of this section that one or both parents want
29 to establish an account for their child as designated beneficiary, and upon compliance with
30 all other requirements preliminary to establishing an account as set forth by the board by
31 rule, an account shall be established as provided in ORS 348.857. The account shall designate:**

32 **“(a) One or both parents, individually or jointly, as account owner or account owners;
33 and**

34 **“(b) The child whose birth information was received as designated beneficiary.**

35 **“(3)(a) A parent who is younger than 18 years of age at the time an account is established**

1 under subsection (2) of this section must have a person who is 18 years of age or older cosign
2 as account owner unless the parent is married or has been emancipated by judgment of the
3 court under ORS 419B.550 to 419B.558.

4 “(b) Upon reaching the age of 18 years, a parent may make application to the board to
5 remove the cosigner designated under paragraph (a) of this subsection as account owner of
6 the account.

7 “(4) A parent who was an Oregon resident at the time of the birth of a child of the par-
8 ent, where the child was born outside of Oregon and for whom information about the birth
9 of the child was not received by the State Treasurer from the state registrar pursuant to
10 section 2 of this 2011 Act, may apply to the board to establish an account under this section,
11 provided the parent is, at the time of application, an Oregon resident.

12 “(5)(a) The State Treasurer may, upon determining that a child for whom an account has
13 not been established under this section has been lawfully adopted, send notice as provided in
14 subsection (1) of this section to the adoptive parents with modifications to the notice as
15 necessary to the circumstances of the adoptive parents and the adopted child and as provided
16 by the board by rule.

17 “(b) If an account has already been established under this section for the adopted child
18 and the current account owner agrees, the adoptive parents may apply to the board to
19 change the designated account owners, if different from the adoptive parents, to the adoptive
20 parents as account owners in accordance with rules adopted by the board.

21 “(c) All other provisions of this section shall apply to accounts established for an adopted
22 child under this subsection.

23 “(6) The board shall adopt rules to administer the provisions of this section.

24 “SECTION 6. (1) The Oregon College Savings Matching Fund is established in the State
25 Treasury, separate and distinct from the General Fund. Moneys in the Oregon College
26 Savings Matching Fund may be invested as provided by ORS 293.701 to 293.820. Interest
27 earned by moneys in the fund and the earnings of any investments shall be credited to the
28 fund. All moneys credited to the fund are continuously appropriated to the Oregon 529 Col-
29 lege Savings Board for the purposes of carrying out the provisions of this section and section
30 5 of this 2011 Act.

31 “(2) The board may accept grants, donations, contributions or gifts from any source for
32 deposit in the Oregon College Savings Matching Fund for the purpose of providing matching
33 deposits as described in subsection (4) of this section.

34 “(3) The State of Oregon has no proprietary interest in the contributions to or earnings
35 of the Oregon College Savings Matching Fund or in deposits made to the fund. The state
36 waives any right of reclamation the state may have to the fund assets. This subsection does
37 not limit the ability of the board to alter or refund a payment made erroneously. Except as
38 otherwise provided by law, the board is the trustee of all moneys in the fund.

39 “(4) If amounts deposited in the Oregon College Savings Matching Fund are sufficient,
40 the board may use moneys in the fund to make matching deposits into accounts established
41 under section 5 of this 2011 Act of at least \$100 or such other amount as the board may
42 specify by rule. The board shall ensure that:

43 “(a) A matching deposit made to an account under this subsection does not exceed the
44 amount otherwise deposited into the account in the preceding 12 months;

45 “(b) The amount otherwise deposited into the account in the preceding 12 months is de-

1 **posited in one or more installments at intervals as determined by the board by rule; and**

2 **“(c) A designated beneficiary does not receive matching funds through more than one**
3 **account.**

4 **“(5)(a) If a nonqualified withdrawal is made from an account established under section 5**
5 **of this 2011 Act that reduces the balance of the account to an amount less than the amount**
6 **deposited by the board into the account from the Oregon College Savings Matching Fund,**
7 **plus or minus earnings or losses on that amount, the amount of the withdrawal that is at-**
8 **tributable to the amount deposited by the board, plus or minus earnings or losses on that**
9 **amount, constitutes an amount owed to the board that may be recovered as a setoff of any**
10 **amounts owed by the State of Oregon to the account owner or by any other means available**
11 **at law for repayment of moneys owed to the state. Any moneys recovered as amounts owed**
12 **to the board under this subsection shall be deposited into the fund.**

13 **“(b) If a nonqualified withdrawal is made from an account established under section 5 of**
14 **this 2011 Act that has a balance less than the amount deposited into the account from the**
15 **Oregon College Savings Matching Fund, plus or minus earnings or losses on that amount,**
16 **the amount of the withdrawal constitutes an amount owed to the board that may be recov-**
17 **ered as a setoff of any amounts owed by the State of Oregon to the account owner or by any**
18 **other means available at law for repayment of moneys owed to the state. Any moneys re-**
19 **covered as amounts owed to the board under this subsection shall be deposited into the fund.**

20 **“(6) The board shall adopt rules to administer the provisions of this section.”.**

21 On page 4, delete lines 1 through 42.

22 In line 43, delete “6” and insert “7”.

23 On page 5, line 34, delete “7” and insert “8”.

24 On page 6, delete lines 9 through 12 and insert:

25 **“SECTION 9. Sections 2, 5 and 6 of this 2011 Act and the amendments to ORS 348.841,**
26 **348.857 and 432.121 by sections 3, 7 and 8 of this 2011 Act apply to children born to Oregon**
27 **residents on or after the effective date of this 2011 Act.”.**

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