

House Bill 2316

Sponsored by Representative BUCKLEY (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Exempts pension income from determinations of income and net worth for purposes of qualification to be account holder of individual development account.

A BILL FOR AN ACT

1
2 Relating to individual development accounts; amending ORS 458.670 and 458.680.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 458.670, as amended by section 26, chapter 31, Oregon Laws 2012, is amended
5 to read:

6 458.670. As used in this section and ORS 458.675 to 458.700, unless the context requires other-
7 wise:

8 (1) "Account holder" means a resident of this state who:

9 (a) Is 12 years of age or older;

10 (b) Is a member of a lower income household; and

11 (c) Has established an individual development account with a fiduciary organization.

12 (2) "Fiduciary organization" means an organization selected under ORS 458.695 to administer
13 state moneys directed to individual development accounts and that is:

14 (a) A nonprofit, fund raising organization that is exempt from taxation under section 501(c)(3)
15 of the Internal Revenue Code as amended and in effect on December 31, 2011; or

16 (b) A federally recognized Oregon Indian tribe that is located, to a significant degree, within the
17 boundaries of this state.

18 (3) "Financial institution" means:

19 (a) An organization regulated under ORS chapters 706 to 716 or 723; or

20 (b) In the case of individual development accounts established for the purpose described in ORS
21 458.685 (1)(c), a financial institution as defined in ORS 348.841.

22 (4) "Individual development account" means a contract between an account holder and a
23 fiduciary organization, for the deposit of funds into a financial institution by the account holder, and
24 the deposit of matching funds into the financial institution by the fiduciary organization, to allow
25 the account holder to accumulate assets for use toward achieving a specific purpose approved by
26 the fiduciary organization.

27 (5) "Lower income household" means a household having an income, **not including pension**
28 **income as defined in ORS 316.157**, equal to or less than the greater of the following:

29 (a) 80 percent of the median household income for the area as determined by the Housing and
30 Community Services Department. In making the determination, the department shall give consider-
31 ation to any data on area household income published by the United States Department of Housing

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 and Urban Development.

2 (b) 200 percent of the poverty guidelines as determined by the Housing and Community Services
3 Department. In making the determination, the department shall give consideration to poverty
4 guidelines published by the United States Department of Health and Human Services and may con-
5 sider other income data periodically published by other federal or Oregon agencies.

6 (6) "Resident of this state" has the meaning given that term in ORS 316.027.

7 **SECTION 2.** ORS 458.680 is amended to read:

8 458.680. (1) A person who qualifies to become an account holder may enter into an agreement
9 with a fiduciary organization for the establishment of an individual development account.

10 (2) To become an account holder a person must, in addition to meeting any other qualifications,
11 be a member of a lower income household that has a net worth of less than \$20,000. As used in this
12 subsection, "net worth" means the value of all assets owned in whole or part by household members,
13 other than equity in a residence and in one vehicle, minus the total debts and obligations of
14 household members, all as measured at the time that the person applies to establish the account.
15 **"Net worth" does not include pension income as defined under ORS 316.157.**

16 (3) Every account holder, with support from the fiduciary organization, shall develop a personal
17 development plan to advance account holder self-reliance. The personal development plan must in-
18 clude appropriate coaching, mentorship, social support, financial adequacy training and asset-
19 specific training designed to increase the independence of the person and the person's household
20 through achievement of the account's approved purpose.

21 (4) Notwithstanding subsection (1) of this section, a fiduciary organization may refuse to allow
22 a qualified person to establish an account if establishment of the account would result in the mem-
23 bers of a lower income household having more than one account. Notwithstanding subsection (1) of
24 this section, a fiduciary organization shall refuse to allow a qualified person to establish an account
25 if establishment of the account would result in the members of a lower income household having
26 more than two accounts.

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