

Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session
STAFF MEASURE SUMMARY
House Committee On Business and Labor

MEASURE: HB 2415 A
CARRIER: Rep. Doherty

Fiscal: Fiscal impact issued
Revenue: No Revenue Impact

Action Date: 02/18/15
Action: Do Pass As Amended And Be Printed Engrossed.

Meeting Dates: 02/11, 02/18

House

Yeas: 10 - Barreto, Barton, Doherty, Esquivel, Evans, Weidner, Heard, Holvey, Nosse,
Fagan
Exc: 1 - Kennemer

Prepared By: Jan Nordlund, Committee Administrator

WHAT THE MEASURE DOES:

Allows Department of Human Services or Oregon Health Authority to request financial institution to release specified information regarding deposit accounts held by deceased person. Creates exception to prohibited release of private financial records.

ISSUES DISCUSSED:

- Importance of receiving financial records before attempting to recover funds
- Amount of funds typically recovered in a year
- Amendment developed through collaboration with financial institutions

EFFECT OF COMMITTEE AMENDMENT:

Replaces original measure.

BACKGROUND:

The Oregon Department of Human Services and the Oregon Health Authority have authority to seek the recovery of funds paid through supplemental income program assistance (ORS 411.708), general assistance (ORS 411.795), and medical assistance (ORS 416.350) upon the death of the recipient under certain conditions. Financial institutions (banks and credit unions) may pay deposits of a deceased customer/member to OHA and DHS under certain conditions and in specific situations when those agencies are seeking recovery. The financial institutions are required to hold the funds of the deceased individual for 75 days before releasing them to heirs, which allows time for a surviving spouse or the state agencies to request the funds.

OHA and DHS report that many financial institutions do not wait the required 75 days before releasing funds, and that the agencies have limited recourse to compel compliance or recover the funds once released. If the financial institution refuses to provide information as to who received the funds and the amount of the funds, the state agencies lack the necessary information to recover the funds. House Bill 2415-A amends the statutes governing private financial records so that financial institutions may release specific information and records upon request and notice from OHA and DHS. With the information on accounts, such as balance, activity and names of persons who have received funds from the account on or after the date of the deceased individual, the state agencies can determine if they will seek recovery of funds.