

**A-Engrossed**  
**House Bill 2415**

Ordered by the House February 20  
Including House Amendments dated February 20

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor John A. Kitzhaber, M.D., for Department of Human Services)

**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.

*[Requires financial institution or credit union to respond to demand from Oregon Health Authority or Department of Human Services for moneys deposited to credit of deceased depositor or member by disclosing amount on deposit for each account in which deceased depositor or member held ownership interest and name and address of any person that also held ownership interest in each account.]*

*[Permits authority or department to apply to circuit court of this state for order to compel financial institution or credit union to comply with demand for account information or order to enjoin transfer of moneys from account of deceased depositor or member to any person other than deceased depositor's or member's spouse, authority or department within certain period following depositor's or member's death.]*

*[Provides that financial institution or credit union that transfers moneys that are subject to demand from authority or department is liable to authority or department for moneys and must notify authority or department when financial institution or credit union has replaced or recovered moneys.]*

*[Becomes operative January 1, 2016.]*

*[Declares emergency, effective on passage.]*

**Permits Department of Human Services or Oregon Health Authority to deliver written notice to financial institution after individual dies to request financial institution to provide certain information about accounts in deceased individual's name, balances on deposit on date of individual's death, account activity and names of individuals to whom financial institution disbursed funds from accounts.**

**A BILL FOR AN ACT**

1  
2 Relating to certain deposits upon death; creating new provisions; and amending ORS 192.586.

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

4 **SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS 192.583 to**  
5 **192.607.**

6 **SECTION 2. (1) At any time after an individual dies, the Department of Human Services**  
7 **or the Oregon Health Authority may deliver to a financial institution the written notice and**  
8 **request described in subsection (2) of this section.**

9 **(2) A written notice and request under this section must:**

10 **(a) Include the name, last known address and Social Security number of the deceased**  
11 **individual;**

12 **(b) State the date of the deceased individual's death;**

13 **(c) State that the deceased individual received public assistance or medical assistance**  
14 **that was subject to a claim for reimbursement under ORS 411.640, 411.708, 411.795 or 416.350;**  
15 **and**

16 **(d) Request that the financial institution provide all or any part of the following infor-**  
17 **mation to the department or the authority:**

**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       **(A) Whether the financial institution held on the date of the deceased individual's death**  
2 **any deposit account in the deceased individual's name or in more than one name, one of**  
3 **which is the deceased individual's name;**

4       **(B) The balance on deposit in each deposit account described in subparagraph (A) of this**  
5 **paragraph on the date of the deceased individual's death;**

6       **(C) The name of each person to whom the financial institution disbursed funds from a**  
7 **deposit account described in subparagraph (A) of this paragraph on or after the date of the**  
8 **deceased individual's death, if the financial institution closed the deposit account on or after**  
9 **the date of the deceased individual's death;**

10       **(D) A record of the activity in each of the deposit accounts described in subparagraph (A)**  
11 **of this paragraph in the period that begins 30 days before the date of the deceased**  
12 **individual's death and ends on the date of the deceased individual's death;**

13       **(E) A copy of any affidavit the financial institution received under ORS 708A.430 or**  
14 **723.466; and**

15       **(F) The name and address of any person named as an owner of a deposit account de-**  
16 **scribed in subparagraph (A) of this paragraph, if the financial institution has the information**  
17 **in the financial institution's records.**

18       **(3) The department or the authority may submit an affidavit under ORS 708A.430 or**  
19 **723.466 at the same time the department or authority submits a notice and request under**  
20 **subsection (2) of this section.**

21       **(4) The department and the authority shall reimburse a financial institution as provided**  
22 **in ORS 192.602 for all reasonable costs and expenses the financial institution incurs to pro-**  
23 **vide information in response to a notice and request under subsection (2) of this section.**

24       **SECTION 3.** ORS 192.586 is amended to read:

25       192.586. (1) Except as provided in ORS 192.588, 192.591, 192.593, 192.596, 192.597, 192.598 and  
26 192.603 **and section 2 of this 2015 Act** or as required by ORS 25.643 and 25.646 and the Uniform  
27 Disposition of Unclaimed Property Act, ORS 98.302 to 98.436 and 98.992:

28       (a) A financial institution may not provide financial records of a customer to a state or local  
29 agency.

30       (b) A state or local agency may not request or receive from a financial institution financial re-  
31 cords of customers.

32       (2) Subsection (1) of this section does not preclude a financial institution, in the discretion of  
33 the financial institution, from initiating contact with, and thereafter communicating with and dis-  
34 closing customer financial records to:

35       (a) Appropriate state or local agencies concerning a suspected violation of the law.

36       (b) The office of the State Treasurer if the records relate to state investments in commercial  
37 mortgages involving the customer. The records and the information contained therein are public  
38 records but are exempt from disclosure under ORS 192.410 to 192.505 unless the public interest in  
39 disclosure clearly outweighs the public interest in confidentiality. However, the following records  
40 in the office must remain open to public inspection:

41       (A) The contract or promissory note establishing a directly held residential or commercial  
42 mortgage and information identifying collateral;

43       (B) Any copy the office retains of the underlying mortgage note in which the office purchases  
44 a participation interest; and

45       (C) Information showing that a directly held loan is in default.

1 (c) An appropriate state or local agency in connection with any business relationship or trans-  
2 action between the financial institution and the customer, if the disclosure is made in the ordinary  
3 course of business of the financial institution and will further the legitimate business interests of  
4 the customer or the financial institution.

5 (3) ORS 192.583 to 192.607 do not prohibit any of the following:

6 (a) The dissemination of any financial information that is not identified with, or identifiable as  
7 being derived from, the financial records of a particular customer.

8 (b) The examination by, or disclosure to, the Department of Consumer and Business Services of  
9 financial records that relate solely to the exercise of the department's supervisory function. The  
10 scope of the department's supervisory function shall be determined by reference to statutes that  
11 grant authority to examine, audit, or require reports of financial records or financial institutions.

12 (c) The furnishing to the Department of Revenue of information by the financial institution,  
13 whether acting as principal or agent, as required by ORS 314.360.

14 (d) Compliance with the provisions of ORS 708A.655 or 723.844.

15 (4) Notwithstanding subsection (1) of this section, a financial institution may:

16 (a) Enter into an agreement with the Oregon State Bar that requires the financial institution  
17 to make reports to the Oregon State Bar whenever a properly payable instrument is presented for  
18 payment out of an attorney trust account that contains insufficient funds, whether or not the in-  
19 strument is honored by the financial institution; and

20 (b) Submit reports to the Oregon State Bar concerning instruments presented for payment out  
21 of an attorney trust account under a trust account overdraft notification program established under  
22 ORS 9.685.

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