

Enrolled
House Bill 2415

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)

CHAPTER

AN ACT

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

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

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

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

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

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

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

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

(d) Request that the financial institution provide all or any part of the following information to the department or the authority:

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

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

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

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

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

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

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

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

SECTION 3. ORS 192.586 is amended to read:

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

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

(b) A state or local agency may not request or receive from a financial institution financial records of customers.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Passed by House February 25, 2015

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Timothy G. Sekerak, Chief Clerk of House

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Tina Kotek, Speaker of House

Passed by Senate May 12, 2015

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Peter Courtney, President of Senate

Received by Governor:

.....M,....., 2015

Approved:

.....M,....., 2015

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2015

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Jeanne P. Atkins, Secretary of State