

TESTIMONY OF
OREGON BANKERS ASSOCIATION
HOUSE BILL 2474

March 26, 2019

ORS 192.583 – 192.607 limit and regulate the disclosure by financial institutions of their customers' financial records to state and local governments. Generally, customer records can only be disclosed pursuant to:

- The customer's authorization;
- A summons or subpoena; or
- A search warrant.

Under these laws, when a state or local government uses a subpoena to obtain customer records:

- The state or local government must serve a copy of the subpoena on the customer whose records are sought; [ORS 192.596 (2)]
- The subpoena must specify the statutory authority under which it is issued; [ORS 192.596 (3)];
- The subpoena must state that a copy of the subpoena has been served on the customer, and set forth the date of such service [ORS 192.596 (4)]; and
- Unless a court orders otherwise, the financial institution must wait to disclose the subpoenaed records until 10 days after the date a copy of the subpoena was served on the customer [ORS 192.596 (5)].

Currently, these requirements apply to all subpoenas for customer financial records, including grand jury subpoenas. However, grand jury proceedings are supposed to be secret.

House Bill 2474 would amend ORS 192.596 to make the above requirements inapplicable to grand jury subpoenas. This bill is needed to protect the integrity of the grand jury process, and to give financial institutions clear direction on when the requirements of ORS 192.596 (2) through (5) apply.

The -2 amendments would expand the scope of our proposed changes in ORS 192.596 to cover subpoenas issued by the Attorney General in criminal investigations under ORS 180.073. The OBA has no objection to this change.