

**HB 2474 A STAFF MEASURE SUMMARY****Carrier:** Rep. Stark**House Committee On Judiciary****Action Date:** 04/08/19**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 11-0-0-0**Yeas:** 11 - Barker, Bynum, Gorsek, Greenlick, Lewis, McLane, Piluso, Power, Sprenger, Stark, Williamson**Fiscal:** No fiscal impact**Revenue:** No revenue impact**Prepared By:** Brian Lohsl, LPRO Analyst**Meeting Dates:** 3/26, 4/8**WHAT THE MEASURE DOES:**

Exempts subpoenas for financial records issued by a district attorney for a grand jury from the requirement of personal service to the customer. Exempts requirement of specifying the statutory authority under which the financial records are being obtained when subpoena issued by a district attorney for the purposes of a grand jury. Exempts financial records requested in such subpoena from the 10-day waiting period.

**ISSUES DISCUSSED:**

- Protecting the integrity of the grand jury process
- Grand jury proceedings are designed to be secret
- Financial institutions must comply with rules requiring subpoena be served to the customer whose records are being sought and the customer must be given the opportunity to object
- Financial institutions currently cannot respond to a subpoena until a 10-day waiting period has passed

**EFFECT OF AMENDMENT:**

Exempts subpoenas issued by a district attorney or the Attorney General for a grand jury from the personal service requirement as well as the 10-day waiting period for disclosure of financial records.

**BACKGROUND:**

ORS 192.596 establishes that a financial institution may disclose the financial records of a customer to a state or local agency pursuant to a lawful summons or subpoena. The state or local agency issuing such summons or subpoena must make personal service of a copy of it to the customer whose financial records are being requested. The subpoena must name the issuing agency and specify the statutory authority under which the financial records are being obtained. A financial institution shall not disclose the financial records of a customer to a state or local agency for a period of 10 days following service of a copy to the customer, unless the customer has consented to earlier disclosure. If, within 10 days following the date of service to the customer, the financial institution receives written notice of a motion to quash such summons or subpoena by the customer, the financial institution shall not disclose the financial records. A state or local agency may petition the court to waive or shorten the requirement of service to the customer and the 10-day waiting period upon a showing of reasonable cause to believe that a law has been or is about to be violated.

House Bill 2474 A exempts subpoenas issued by a district attorney or the Attorney General for a grand jury from the personal service requirement as well as the 10-day waiting period for disclosure of financial records.