

A-Engrossed House Bill 2158

Ordered by the House April 8
Including House Amendments dated April 8

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of State Treasurer Tobias Read)

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.

- Clarifies role of State Treasurer with respect to unclaimed property and escheated estates.
- Establishes Unclaimed Property School Fund and Legacy Unclaimed Property School Fund within Common School Fund. Establishes Unclaimed Property and Estates Fund. Combines and transfers moneys in Unclaimed Property Revolving Fund, Common School Fund Account and funds holding escheated property into Unclaimed Property and Estates Fund and Legacy Unclaimed Property School Fund.
- Provides that unclaimed property of nonprofits, limited liability companies and unclaimed wage claims are treated like other unclaimed properties.
- Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to unclaimed property; creating new provisions; amending ORS 63.674, 65.674, 98.352, 98.386, 98.396, 98.992, 112.055, 116.193, 116.253, 178.050, 293.455, 293.701, 327.405, 652.405, 708A.430, 711.225, 711.590, 716.905 and 723.466 and section 85, chapter 678, Oregon Laws 2019; repealing ORS 98.388; and declaring an emergency.

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

DUTIES OF STATE TREASURER

SECTION 1. ORS 178.050 is amended to read:

178.050. The State Treasurer shall:

- (1) Keep the office at the seat of government.
- (2) Receive and have charge of all moneys paid into the State Treasury.
- (3) Pay out moneys from the State Treasury as directed by law.
- (4) Manage unclaimed property under ORS 98.302 to 98.436, escheated property under ORS 112.055 and 116.253, the Unclaimed Property and Estates Fund and the Unclaimed Property School Fund.**
- (5) Administer estates under ORS 113.235.**

[(4)] **(6)** Permit the books, papers and transactions of the office to be open at all times to inspection and examination by the Governor, Secretary of State, the legislature and any committee of either branch of the legislature.

[(5)] **(7)** Deliver over to the successor in office all moneys, books, papers, furniture and other effects belonging to or preserved in the office.

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 [(6)] (8) Perform all other duties imposed upon the State Treasurer by law.

2
3 **SUBACCOUNTS OF THE COMMON SCHOOL FUND**
4

5 **SECTION 2.** Sections 3 and 4 of this 2021 Act are added to and made a part of ORS
6 chapter 273.

7 **SECTION 3.** (1) There is established the Unclaimed Property School Fund within the
8 Common School Fund.

9 (2) The Unclaimed Property School Fund consists of:

10 (a) Moneys appropriated or transferred to the fund by the Legislative Assembly or by act
11 of law; and

12 (b) Moneys transferred to the fund from the Unclaimed Property and Estates Fund under
13 section 6 of this 2021 Act.

14 (3) Moneys in the Unclaimed Property School Fund are continuously appropriated to the
15 State Treasurer for the treasurer's costs of administering the fund.

16 (4) The State Treasurer may transfer from the fund to the Unclaimed Property and Es-
17 tates Fund amounts necessary to pay any unanticipated expenses payable from the Un-
18 claimed Property and Estates Fund.

19 (5) Interest earned by the Unclaimed Property School Fund is credited to the fund. Be-
20 fore July 1 of each year, the State Treasurer, with the approval of the State Land Board,
21 shall transfer any interest of the fund that exceeds the net liabilities of the fund to the
22 Distributable Income Account of the Common School Fund under ORS 273.105.

23 **SECTION 4.** (1) There is established the Legacy Unclaimed Property School Fund within
24 the Common School Fund.

25 (2) The Legacy Unclaimed Property School Fund consists of moneys transferred to the
26 fund under section 7 of this 2021 Act.

27 (3) Interest earned by the fund is credited to the Common School Fund.

28 (4) Moneys in the Legacy Unclaimed Property School Fund are continuously appropriated
29 to the Department of State Lands for the department's costs of administering the fund.

30 (5) The department shall transfer moneys from the Legacy Unclaimed Property School
31 Fund to the Common School Fund as required under ORS 116.253 (1) and Article VIII, section
32 2 (1)(b), of the Oregon Constitution.

33 (6) The department may transfer moneys from the fund to the Unclaimed Property and
34 Estates Fund to cover valid claims against the Unclaimed Property and Estates Fund only
35 if:

36 (a) After transferring all available moneys to the Unclaimed Property and Estates Fund
37 from the Unclaimed Property School Fund under section 3 (5) of this 2021 Act, there are in-
38 sufficient moneys available to cover the claim; and

39 (b) The claim is against moneys that were transferred to the Legacy Unclaimed Property
40 School Fund under section 7 of this 2021 Act.

41
42 **ADMINISTRATION OF UNCLAIMED AND ESCHEATED PROPERTY**
43

44 **SECTION 5.** Section 6 of this 2021 Act is added to and made a part of ORS 98.302 to 98.436.

45 **SECTION 6.** (1) There is established the Unclaimed Property and Estates Fund, separate

1 and distinct from the General Fund.

2 (2) The Unclaimed Property and Estates Fund consists of:

3 (a) Unclaimed property, including the proceeds of unclaimed property, under ORS 98.302
4 to 98.436;

5 (b) Penalties related to unclaimed property assessed under ORS 98.992;

6 (c) Estates escheated to the state under ORS 112.055 and subject to claims under ORS
7 116.253;

8 (d) Moneys in accounts that escheat to the state under ORS 708A.430 (5) or 723.466 (5);

9 (e) Moneys transferred to the fund by the Department of State Lands from the Un-
10 claimed Property School Fund under section 3 of this 2021 Act;

11 (f) Other moneys appropriated or transferred to the Unclaimed Property and Estates
12 Fund by the Legislative Assembly or by operation of law; and

13 (g) Interest earned by the fund.

14 (3) Moneys in the fund are continuously appropriated to the State Treasurer for:

15 (a) The costs of administering unclaimed property under ORS 98.302 to 98.436;

16 (b) The costs of administering estates under ORS 113.235;

17 (c) The payment of valid claims to abandoned property made under ORS 98.392;

18 (d) The payment of valid claims for escheated property under ORS 116.253; and

19 (e) The costs of administering the fund.

20 (4) Before July 1 of each year, the State Treasurer shall transfer from the Unclaimed
21 Property and Estates Fund:

22 (a) To the Common School Fund, all moneys and properties of escheated estates for
23 which any claim has elapsed under ORS 116.253; and

24 (b) To the Unclaimed Property School Fund, all remaining moneys and properties in the
25 Unclaimed Property and Estates Fund, except for the amount that the State Treasurer an-
26 ticipates requiring to meet the expenses and liabilities of the Unclaimed Property and Es-
27 tates Fund until the end of the following fiscal year, including transfers under paragraph (a)
28 of this subsection.

29 **SECTION 7.** (1) Except as provided in subsections (2) and (3) of this section, effective July
30 1, 2021, the following accounts, funds and sources of money are hereby transferred to the
31 Unclaimed Property and Estates Fund under section 6 of this 2021 Act:

32 (a) The Common School Fund Account;

33 (b) The Unclaimed Property Revolving Fund;

34 (c) The funds or accounts in which moneys are held by the Department of State Lands
35 or State Treasurer as an estate administrator under ORS 113.235; and

36 (d) The funds or accounts in which moneys are held by the Department of State Lands
37 or State Treasurer as escheated estates under ORS 116.193, 116.203, 116.253, 708A.430 or
38 723.466 that are still capable of being claimed under ORS 116.253 (1).

39 (2) The Department of State Lands and State Treasurer shall transfer only the moneys
40 identified as net activity that occurred on or after July 1, 2020, and on or before June 30,
41 2021, within the funds listed in subsection (1)(a) and (b) of this section to the Unclaimed
42 Property and Estates Fund.

43 (3) The Department of State Lands and the State Treasurer shall transfer to the Legacy
44 Unclaimed Property School Fund under section 4 of this 2021 Act moneys in the accounts
45 listed in subsection (1) of this section that are not transferred under subsection (2) of this

1 section.

2 **SECTION 8.** (1) Sections 2 to 7 of this 2021 Act, the amendments to ORS 98.352, 98.386,
3 98.396, 98.992, 112.055, 116.193, 116.253, 178.050, 293.455, 293.701, 327.405, 708A.430, 711.225,
4 711.590, 716.905 and 723.466 by sections 1 and 10 to 25 of this 2021 Act and the repeal of ORS
5 98.388 by section 9 of this 2021 Act are intended to complete the transfer of the unclaimed
6 and escheated property from the Department of State Lands to the State Treasurer under
7 chapter 678, Oregon Laws 2019, to rename the sources of funds listed in section 7 (1) of this
8 2021 Act to the Unclaimed Property and Estates Fund and to carry out the purposes of the
9 fund under section 6 of this 2021 Act.

10 (2) For the purpose of harmonizing and clarifying statutory law, the Legislative Counsel
11 may substitute for words designating the “Common School Fund Account” or “Unclaimed
12 Property Revolving Fund”, wherever they occur in statutory law, other words designating
13 the “Unclaimed Property and Estates Fund.”

14 (3) Nothing in sections 6 and 7 of this 2021 Act, the amendments to ORS 98.352, 98.386,
15 98.396, 98.992, 112.055, 116.193, 116.253, 178.050, 293.455, 293.701, 327.405, 708A.430, 711.225,
16 711.590, 716.905 and 723.466 by sections 1 and 10 to 25 of this 2021 Act or the repeal of ORS
17 98.388 by section 9 of this 2021 Act relieves a person of a liability or obligation to the De-
18 partment of State Lands, the Common School Fund Account or the Unclaimed Property Re-
19 volving Fund that accrues before, on or after the effective date of this 2021 Act. The State
20 Treasurer may undertake the collection or enforcement of any such liability, duty or obli-
21 gation for deposit into the Unclaimed Property and Estates Fund.

22 (4) Nothing in section 7 of this 2021 Act requires the Department of State Lands to
23 transfer any moneys, however designated, that are unrelated to unclaimed or escheated
24 properties. The department may take any steps necessary before, on or after the effective
25 date of this 2021 Act to separately identify any moneys and reclassify or transfer any funds
26 for the purposes of facilitating the transfers under section 7 of this 2021 Act. Nothing in
27 sections 2 to 7 of this 2021 Act may be interpreted to affect the use of any source of funds
28 that makes up the Common School Fund as described in Article VIII, section 2, of the
29 Oregon Constitution.

30 (5) The State Treasurer is not required to transfer any funds under section 6 (4) of this
31 2021 Act for the biennium ending June 30, 2021.

32 **SECTION 9. ORS 98.388 is repealed.**

33 **SECTION 10.** ORS 98.352, as amended by section 10, chapter 678, Oregon Laws 2019, is
34 amended to read:

35 98.352. (1) A holder of property presumed abandoned under ORS 98.302 to 98.436 and 98.992 shall
36 deliver to the State Treasurer the report described in subsection (2) of this section and shall pay
37 or deliver to the State Treasurer, for deposit in the [*Unclaimed Property Revolving Fund*] **Un-**
38 **claimed Property and Estates Fund**, all property presumed abandoned, except that for the fol-
39 lowing funds the holder is not required to deliver the funds presumed abandoned to the State
40 Treasurer:

41 (a) Funds transferred to the General Fund under ORS 293.455 (1)(a).

42 (b) Funds in the possession of the Child Support Program described in ORS 180.345.

43 (c) Funds described in ORS 9.725 (3) or 98.386 (2) that are held in lawyer trust accounts or in
44 the possession of the Oregon State Bar.

45 (2) A report must include:

1 (a) Except with respect to traveler's checks and money orders, the name, if known, and address,
2 if known, of each person appearing from the records of the holder to be the owner of any property
3 of value of \$50 or more presumed abandoned under ORS 98.302 to 98.436 and 98.992;

4 (b) In case of unclaimed funds of life insurance corporations, the full name of the insured or
5 annuitant and last-known address according to the life insurance corporation's records;

6 (c) The nature and identifying number, if any, or description of the property and the amount
7 appearing from the records to be due, except that items of value under \$50 each may be reported
8 in aggregate;

9 (d) The date when the property became payable, demandable, or returnable, and the date of the
10 last transaction with the owner with respect to the property; and

11 (e) Other information that the State Treasurer prescribes by rule as necessary for the adminis-
12 tration of ORS 98.302 to 98.436 and 98.992.

13 (3) If the holder of property presumed abandoned is a successor to other holders or has had a
14 name change while holding the property, the holder shall file with the report all prior known names
15 and addresses and effective dates of changes.

16 (4) The holder shall file the report after October 1, but no later than November 1, of each year
17 for accounts dormant as of June 30. Upon written request from any person required to file a report,
18 the State Treasurer may postpone the reporting date. All records are exempt from public review for
19 12 months from the time the property is reportable and for 24 months after the property has been
20 remitted to the State Treasurer. All lists of records or property held by a government or public
21 authority under ORS 98.336 are exempt from public review until 24 months after the property is
22 remitted to the State Treasurer.

23 (5) If the holder of property presumed abandoned under ORS 98.302 to 98.436 and 98.992 knows
24 the whereabouts of the owner and if the owner's claim is not barred by the statute of limitations,
25 the holder shall, before filing the report, communicate with the owner and take necessary steps to
26 prevent abandonment from being presumed. The holder shall exercise due diligence to ascertain the
27 whereabouts of the owner.

28 (6) If the property presumed abandoned is a lawyer trust account established by an attorney or
29 law firm, the report required by this section must indicate that the account is a lawyer trust ac-
30 count.

31 (7) The holder shall verify the accuracy of the information contained in the report. Verification
32 must be executed by a partner if made by a partnership, by an officer if made by an unincorporated
33 association or private corporation and by the chief fiscal officer if made by a public corporation.

34 **SECTION 11.** ORS 98.386, as amended by section 20, chapter 678, Oregon Laws 2019, is
35 amended to read:

36 98.386. (1) Except as provided in subsection (2) of this section, all funds received under ORS
37 98.302 to 98.436 and 98.992, including the proceeds from the sale of unclaimed property under ORS
38 98.382, shall be deposited by the State Treasurer in the [*Common School Fund Account*] **Unclaimed**
39 **Property and Estates Fund**. Before making the deposit, the State Treasurer shall record the name
40 and last-known address of each person appearing from the holders' reports to be entitled to the un-
41 claimed property and the name and last-known address of each insured person or annuitant, and
42 with respect to each policy or contract listed in the report of a life insurance corporation, its
43 number, the name of the corporation, and the amount due.

44 (2) Any amounts identified as lawyer trust account funds in the report required by ORS 98.352
45 shall be paid or delivered by the holder to the Oregon State Bar along with a copy of the report.

1 All amounts paid or delivered to the Oregon State Bar under this section are continuously appro-
2 priated to the Oregon State Bar and may be used only for the funding of legal services provided
3 through the Legal Services Program established under ORS 9.572, the payment of claims allowed
4 under ORS 98.392 (2) and the payment of expenses incurred by the Oregon State Bar in the admin-
5 istration of the Legal Services Program.

6 (3) Before making a deposit to the credit of the [*Common School Fund Account*] **Unclaimed**
7 **Property and Estates Fund**, the State Treasurer may deduct:

8 (a) Any costs in connection with sale of unclaimed property;

9 (b) Any costs of mailing and publication in connection with efforts to locate owners of unclaimed
10 property as prescribed by rule; and

11 (c) Reasonable service charges.

12 **SECTION 12.** ORS 98.396, as amended by section 23, chapter 678, Oregon Laws 2019, is
13 amended to read:

14 98.396. (1) The State Treasurer shall consider any claim filed under ORS 98.392 and may hold
15 a hearing and receive evidence concerning the claim. If a hearing is held, the State Treasurer shall
16 prepare findings and a decision in writing on each claim filed, stating the substance of any evidence
17 heard by the State Treasurer and the reasons for the decision. A decision is a public record.

18 (2) If the claim allowed is for property deposited in the [*Common School Fund Account*] **Un-**
19 **claimed Property and Estates Fund**, the State Treasurer shall return the property or make pay-
20 ment of the proceeds of the sale of the property to the claimant.

21 (3) If the claim allowed is for funds deposited in the General Fund, the State Treasurer shall
22 pay the claim from the fund against which the check or order represented in the claim was issued.

23 **SECTION 13.** ORS 98.992, as amended by section 30, chapter 678, Oregon Laws 2019, is
24 amended to read:

25 98.992. A person who willfully fails to render any report, to pay or deliver property or to per-
26 form other duties required by ORS 98.302 to 98.436 and 98.992 may be required to forfeit and pay
27 to the State Treasurer to be deposited in the [*Common School Fund Account*] **Unclaimed Property**
28 **and Estates Fund**, an amount determined by the State Treasurer pursuant to ORS 183.745 of not
29 more than \$1,000 for individuals and \$50,000 for corporations. This penalty shall be assessed only
30 after at least one reporting cycle, and only after the State Treasurer has provided the person with
31 written instructions, including copies of applicable laws and policies. The State Treasurer may waive
32 any penalty due under this section with appropriate justification.

33 **SECTION 14.** ORS 112.055, as amended by section 31, chapter 678, Oregon Laws 2019, is
34 amended to read:

35 112.055. (1) If, after diligent search and inquiry that is appropriate to the circumstances, taking
36 into account the value of the decedent's estate, no person takes under ORS 112.025 to 112.045, the
37 net intestate estate escheats to the State of Oregon.

38 (2) If a devisee or a person entitled to take under ORS 112.025 to 112.045 is not identified or
39 found, the share of that person escheats to the State of Oregon, **and the share must be delivered**
40 **to the State Treasurer for deposit into the Unclaimed Property and Estates Fund and subject**
41 **to claims under ORS 116.253.**

42 (3) If a devisee or a person entitled to take under ORS 112.025 to 112.045 is not identified or
43 found:

44 (a) The State Treasurer has the same preference as the missing devisee or person for the pur-
45 pose of appointment as personal representative under ORS 113.085;

1 (b) Title to property of the decedent that would vest in the missing devisee or person under ORS
2 114.215 vests in the State Treasurer **to hold for the benefit of the Unclaimed Property and Es-**
3 **tates Fund and subject to claims under ORS 116.253;** and

4 (c) The State Treasurer has all of the rights of the missing devisee or person for the purposes
5 of ORS chapters 111, 112, 113, 114, 115, 116 and 117, including but not limited to the following:

6 (A) The right to contest any will of the decedent under ORS 113.075; and

7 (B) The right to information under ORS 113.145.

8 **SECTION 15.** ORS 116.193, as amended by section 43, chapter 678, Oregon Laws 2019, is
9 amended to read:

10 116.193. If it appears to the court, at any time after the expiration of four months after the date
11 of the first publication of notice to interested persons, that there is no known person to take by
12 descent the net intestate estate, the court shall order that the estate escheat to the State of Oregon
13 and that the whole of the estate, after payment of claims, taxes and expenses of administration, be
14 distributed to the State Treasurer **for deposit into the Unclaimed Property and Estates Fund.**
15 There shall be no further proceeding in the administration of the estate, and the estate shall sum-
16 marily be closed.

17 **SECTION 16.** ORS 116.253, as amended by section 46, chapter 678, Oregon Laws 2019, is
18 amended to read:

19 116.253. (1) Within 10 years after the death of a decedent whose estate escheated in whole or
20 in part to the state, or within eight years after the entry of a judgment or order escheating property
21 of an estate to the state, a claim may be made for the property escheated, or the proceeds thereof,
22 by or on behalf of a person not having actual knowledge of the escheat or by or on behalf of a
23 person who at the time of the escheat was unable to prove entitlement to the escheated property.

24 (2) The claim shall be made by a petition filed with the State Treasurer. The petition must in-
25 clude:

26 (a) A declaration by the petitioner under penalty of perjury in the form required by ORCP 1 E
27 or an unsworn declaration under ORS 194.800 to 194.835 if the declarant is physically outside the
28 boundaries of the United States;

29 (b) The age and place of residence of the claimant by whom or on whose behalf the petition is
30 filed;

31 (c) A brief description of the property or source of funds believed to have been escheated to the
32 state;

33 (d) That the claimant lawfully is entitled to the property or proceeds;

34 (e) That at the time the property escheated to the state the claimant had no knowledge or notice
35 thereof or was unable to prove entitlement to the escheated property and has subsequently acquired
36 new evidence of that entitlement;

37 (f) That the claimant claims the property or proceeds as an heir or devisee or as the personal
38 representative of the estate of an heir or devisee, setting forth any relationship between the claim-
39 ant and the decedent who at the time of death owned the escheated property;

40 (g) That 10 years have not elapsed since the death of the decedent or that eight years have not
41 elapsed since the entry of the judgment or order escheating the property to the state; and

42 (h) If the petition is not filed by the claimant, the status of the petitioner.

43 [(3) *If the State Treasurer determines that the claimant is entitled to the property or the proceeds*
44 *thereof, the State Treasurer shall deliver the property to the petitioner, subject to and charged with any*
45 *tax on the property and the costs and expenses of the state in connection therewith.*]

1 **(3) If the State Treasurer determines that the claimant is entitled to escheated estate**
2 **property, the State Treasurer shall:**

3 **(a) Pay from the Unclaimed Property and Estates Fund the proportional share of the**
4 **proceeds or value of the property without interest and subject to the proportional share of**
5 **the costs of administering the estate, including attorney fees and personal representative**
6 **fees paid by the estate; or**

7 **(b) If personal or real property is in the Unclaimed Property and Estates Fund, transfer**
8 **the property without interest and subject to a claim of the Unclaimed Property and Estates**
9 **Fund of a proportional share of the costs of administering the estate, including attorney fees**
10 **and personal representative fees paid by the estate, and any property taxes or other costs**
11 **of managing or improving the property, whether incurred before or after the close of the**
12 **estate.**

13 (4) If the person whose property escheated or reverted to the state was at any time a patient
14 of a state institution in Oregon for persons with mental illness or of the Eastern Oregon Training
15 Center, the reasonable unpaid cost of the care and maintenance of the person while a ward of the
16 institution, regardless of when the cost was incurred, may be deducted from, or, if necessary, be
17 offset in full against, the amount of the escheated property. The reasonable unpaid cost of care and
18 maintenance shall be determined in accordance with ORS 179.701.

19 (5) For the purposes of this section, the death of the decedent is presumed to have occurred on
20 the date shown in the decedent's certified copy of the death record or in any other similar document
21 issued by the jurisdiction in which the death occurred or issued by an agency of the federal gov-
22 ernment.

23 (6) A person aggrieved by a determination of the State Treasurer under this section may seek
24 a contested case hearing under ORS 183.413 to 183.470.

25 **SECTION 17.** ORS 293.455, as amended by section 62, chapter 678, Oregon Laws 2019, is
26 amended to read:

27 293.455. (1) After October 1, the State Treasurer may refuse payment of the unrepresented checks
28 or orders included in the report referred to in ORS 293.450.

29 The State Treasurer shall:

30 (a) Transfer and credit the amounts of the unrepresented checks or orders dedicated for general
31 funding to the General Fund.

32 (b) Transfer all other funds to the [*Unclaimed Property Revolving Fund within the Common*
33 *School Fund Account*] **Unclaimed Property and Estates Fund.**

34 (c) Transfer and credit the amounts of the unrepresented checks issued under ORS chapters 316
35 and 317 to the [*Unclaimed Property Revolving Fund within the Common School Fund Account*] **Un-**
36 **claimed Property and Estates Fund.**

37 (2) In each instance, the State Treasurer shall issue an official receipt for the amount so trans-
38 ferred or credited.

39 **SECTION 18.** ORS 293.701, as amended by section 64, chapter 678, Oregon Laws 2019, is
40 amended to read:

41 293.701. As used in ORS 293.701 to 293.857, unless the context requires otherwise:

42 (1) "Council" means the Oregon Investment Council.

43 (2) "Investment funds" means:

44 (a) Public Employees Retirement Fund referred to in ORS 238.660;

45 (b) Industrial Accident Fund referred to in ORS 656.632;

- 1 (c) Consumer and Business Services Fund referred to in ORS 705.145;
2 (d) Employment Department Special Administrative Fund referred to in ORS 657.822;
3 (e) Insurance Fund referred to in ORS 278.425;
4 (f) Funds under the control and administration of the Department of State Lands;
5 (g) Oregon Student Assistance Fund referred to in ORS 348.570;
6 (h) Moneys made available to the Commission for the Blind under ORS 346.270 and 346.569 or
7 rules adopted thereunder;
8 (i) Forest Development Revenue Bond Fund referred to in ORS 530.147 and State Forestry
9 General Obligation Bond Fund referred to in ORS 530.280;
10 (j) Oregon War Veterans' Fund referred to in ORS 407.495;
11 (k) Oregon War Veterans' Bond Sinking Account referred to in ORS 407.515;
12 (L) World War II Veterans' Compensation Fund;
13 (m) World War II Veterans' Bond Sinking Fund;
14 (n) Funds in the hands of the State Treasurer that are not required to meet current demands
15 and that are invested in the Oregon Short Term Fund established under ORS 293.728 or in another
16 commingled investment vehicle;
17 (o) State funds that are not subject to the control and administration of officers or bodies spe-
18 cifically designated by law;
19 (p) Funds derived from the sale of state bonds;
20 (q) Social Security Revolving Account referred to in ORS 237.490;
21 (r) Public University Fund established by ORS 352.450;
22 (s) Local Government Employer Benefit Trust Fund referred to in ORS 657.513;
23 (t) Elderly and Disabled Special Transportation Fund established by ORS 391.800;
24 (u) Education Stability Fund established by ORS 348.696;
25 (v) Deferred Compensation Fund established under ORS 243.411;
26 (w) Trust for Cultural Development Account established under ORS 359.405;
27 (x) The State Library Donation Fund and the Talking Book and Braille Library Endowment
28 Fund subaccount established under ORS 357.195;
29 (y) Funds in the [*Unclaimed Property Revolving Fund created in ORS 98.388*] **Unclaimed Prop-**
30 **erty and Estates Fund**; and
31 (z) Funds in the Common School Fund **or any subaccount of the fund**, that are available for
32 investment.
33 (3) "Investment officer" means the State Treasurer in the capacity as investment officer for the
34 council.
35 **SECTION 19.** ORS 293.701, as amended by section 64, chapter 678, Oregon Laws 2019, and
36 section 16, chapter 15, Oregon Laws 2020 (first special session), is amended to read:
37 293.701. As used in ORS 293.701 to 293.857, unless the context requires otherwise:
38 (1) "Council" means the Oregon Investment Council.
39 (2) "Investment funds" means:
40 (a) Public Employees Retirement Fund referred to in ORS 238.660;
41 (b) Industrial Accident Fund referred to in ORS 656.632;
42 (c) Consumer and Business Services Fund referred to in ORS 705.145;
43 (d) Employment Department Special Administrative Fund referred to in ORS 657.822;
44 (e) Insurance Fund referred to in ORS 278.425;
45 (f) Funds under the control and administration of the Department of State Lands;

- 1 (g) Oregon Student Assistance Fund referred to in ORS 348.570;
- 2 (h) Moneys made available to the Commission for the Blind under ORS 346.270 and 346.569 or
3 rules adopted thereunder;
- 4 (i) Forest Development Revenue Bond Fund referred to in ORS 530.147 and State Forestry
5 General Obligation Bond Fund referred to in ORS 530.280;
- 6 (j) Oregon War Veterans' Fund referred to in ORS 407.495;
- 7 (k) Oregon War Veterans' Bond Sinking Account referred to in ORS 407.515;
- 8 (L) World War II Veterans' Compensation Fund;
- 9 (m) World War II Veterans' Bond Sinking Fund;
- 10 (n) Funds in the hands of the State Treasurer that are not required to meet current demands
11 and that are invested in the Oregon Short Term Fund established under ORS 293.728 or in another
12 commingled investment vehicle;
- 13 (o) State funds that are not subject to the control and administration of officers or bodies spe-
14 cifically designated by law;
- 15 (p) Funds derived from the sale of state bonds;
- 16 (q) Social Security Revolving Account referred to in ORS 237.490;
- 17 (r) Public University Fund established by ORS 352.450;
- 18 (s) Local Government Employer Benefit Trust Fund referred to in ORS 657.513;
- 19 (t) Education Stability Fund established by ORS 348.696;
- 20 (u) Deferred Compensation Fund established under ORS 243.411;
- 21 (v) Trust for Cultural Development Account established under ORS 359.405;
- 22 (w) The State Library Donation Fund and the Talking Book and Braille Library Endowment
23 Fund subaccount established under ORS 357.195;
- 24 (x) Funds in the [*Unclaimed Property Revolving Fund created in ORS 98.388*] **Unclaimed Prop-**
25 **erty and Estates Fund**; and
- 26 (y) Funds in the Common School Fund **or any subaccount of the fund**, that are available for
27 investment.
- 28 (3) "Investment officer" means the State Treasurer in the capacity as investment officer for the
29 council.
- 30 **SECTION 20.** ORS 327.405, as amended by section 66, chapter 678, Oregon Laws 2019, is
31 amended to read:
- 32 327.405. (1) The Common School Fund [*shall be*] is composed of:
- 33 (a) The proceeds from the sales of the 16th and 36th sections of every township or of any lands
34 selected in lieu thereof;
- 35 (b) All the moneys and clear proceeds of all property that may accrue to the state by escheat
36 or forfeiture;
- 37 (c) The proceeds of all gifts, devises and bequests made by any person to the state for common
38 school purposes;
- 39 (d) The proceeds of all property granted to the state when the purpose of such grant is not
40 stated;
- 41 (e) All proceeds of the sale of submerged and submersible lands as described in ORS 274.005;
- 42 (f) All proceeds of the sale of the South Slough National Estuarine Research Reserve as de-
43 scribed in ORS 273.553 in the event such property is sold;
- 44 (g) All proceeds of the sale of the 500,000 acres of land to which this state is entitled by an
45 Act of Congress approved September 4, 1841, and of all lands selected for capitol building purposes

1 under Act of Congress approved February 14, 1859;

2 **(h) Moneys credited to the fund or transferred to the fund by the Legislative Assembly;**
3 and

4 **(i)** All proceeds derived from the investment of moneys that compose the fund. [*All such proceeds*
5 *shall become a part of the fund.*]

6 **(2)** Except as otherwise provided by law, the income from the fund [*shall*] **must** be applied ex-
7 clusively to the support and maintenance of common schools in each school district.

8 [*(2) The State Treasurer shall audit all lawful claims for repayment of moneys under ORS 98.302*
9 *to 98.436 and 98.992, or out of escheated estates and funds, including attorney fees and all other ex-*
10 *penditures in any suit or proceeding relating to escheated estates and shall pay each lawful claim from the*
11 *Common School Fund Account.*]

12 **SECTION 21.** ORS 711.225, as amended by section 71, chapter 678, Oregon Laws 2019, is
13 amended to read:

14 711.225. Six months after the mailing of the written notice described in ORS 711.220 (3), the
15 Oregon stock bank shall deliver a report and all deposits that remain unclaimed to the State
16 Treasurer as unclaimed property [*for deposit in the Unclaimed Property Revolving Fund*] under ORS
17 98.352 and deliver a copy of the report filed with the State Treasurer to the Director of the De-
18 partment of Consumer and Business Services.

19 **SECTION 22.** ORS 711.590, as amended by section 74, chapter 678, Oregon Laws 2019, is
20 amended to read:

21 711.590. (1) Two years after the date of the final order closing the liquidation of an institution,
22 the Director of the Department of Consumer and Business Services may withdraw any unclaimed
23 deposits or balances remaining to the credit of dividend accounts, representing the aggregate of
24 undelivered checks or unpaid dividend funds in the possession of the Department of Consumer and
25 Business Services, and report and pay the funds to the State Treasurer as unclaimed property [*for*
26 *deposit in the Unclaimed Property Revolving Fund*] under ORS 98.352.

27 (2) The interest earned on the dividend accounts while they remain in the possession of the di-
28 rector shall be paid to the State Treasurer to be credited to the Consumer and Business Services
29 Fund and no person entitled to the accounts has any claim to the interest.

30 **SECTION 23.** ORS 716.905, as amended by section 75, chapter 678, Oregon Laws 2019, is
31 amended to read:

32 716.905. (1) Upon approval of a plan under ORS 716.900, the directors shall mail written notice
33 of their intention to close the Oregon nonstock bank to the last-known address of all depositors and
34 other creditors.

35 (2) All deposits and amounts reserved for creditors that remain unclaimed after six months from
36 the date of the written notice required under subsection (1) of this section shall be reported and
37 transferred by the directors to the State Treasurer as unclaimed property [*for deposit in the Un-*
38 *claimed Property Revolving Fund*] under ORS 98.352.

39 (3) A copy of the report of unclaimed deposits and amounts reserved for creditors filed with the
40 State Treasurer shall be filed with the Director of the Department of Consumer and Business Ser-
41 vices.

42 **SECTION 24.** ORS 708A.430, as amended by section 69, chapter 678, Oregon Laws 2019, is
43 amended to read:

44 708A.430. (1) On the death of a depositor of an insured institution, if the deposit is \$25,000 or
45 less, the insured institution, after receiving an affidavit as provided in subsection (3) of this section

1 from a person that claims the deposit, or a declaration from the Department of Human Services or
2 the Oregon Health Authority as provided in subsection (4) of this section, may pay the moneys on
3 deposit to the credit of the deceased depositor, in the following order of priority, to:

4 (a) The surviving spouse at the surviving spouse's demand at any time after the depositor's
5 death;

6 (b) The Oregon Health Authority or the Department of Human Services, if the authority or the
7 department demands the payment not less than 46 days and no more than 75 days after the death
8 of the depositor if the depositor does not have a surviving spouse and if the authority or department
9 has a preferred claim under ORS 411.708, 411.795 or 416.350;

10 (c) The depositor's surviving children 18 years of age or older, if the depositor does not have a
11 surviving spouse and the authority and department do not have a claim;

12 (d) The depositor's surviving parent, if the depositor does not have a surviving spouse or sur-
13 viving child 18 years of age or older and if the authority and department do not have a claim;

14 (e) The depositor's surviving brothers and sisters 18 years of age or older, if the depositor does
15 not have a surviving spouse, surviving child 18 years of age or older or surviving parent and the
16 authority and department do not have a claim; or

17 (f) Any other surviving heir of the depositor, if there is no surviving spouse, authority claim,
18 department claim, surviving child 18 years of age or older, surviving parent or surviving brothers
19 or sisters 18 years of age or older.

20 (2)(a) An insured institution may not pay moneys on deposit under subsection (1)(c) to (f) of this
21 section earlier than 46 days after the death of the depositor.

22 (b) An insured institution may not pay moneys on deposit under subsection (1)(c) to (f) of this
23 section earlier than 76 days after the death of the depositor unless the financial institution obtains
24 prior verbal or written authorization from the Oregon Health Authority or its designated represen-
25 tative and the Department of Human Services or its designated representative.

26 (3) An affidavit or declaration submitted under this section must:

27 (a) State where and when the depositor died;

28 (b) State that the total deposits of the deceased depositor in all financial institutions in Oregon
29 do not exceed \$25,000;

30 (c) Show the relationship of the affiant or declarant to the deceased depositor; and

31 (d) Embody a promise to pay the expenses of last sickness, funeral expenses and just debts of
32 the deceased depositor out of the deposit to the full extent of the deposit if necessary, in the order
33 of priority prescribed by ORS 115.125, and to distribute any remaining moneys to the persons that
34 are entitled to the moneys by law.

35 (4) An insured institution shall accept from the Department of Human Services or the Oregon
36 Health Authority, without additional requirements, a declaration under penalty of perjury meeting
37 the requirements of subsection (3) of this section. A declaration submitted under this section must
38 be signed by the declarant and must include the following sentence immediately above the signature
39 line of the declarant: "I hereby declare under penalty of perjury that I am authorized by the De-
40 partment of Human Services or the Oregon Health Authority to make this declaration, that the
41 above statement is true to the best of my knowledge and belief, and that I understand that it is
42 subject to penalty for perjury."

43 (5) In the event the depositor died intestate without known heirs, an estate administrator of the
44 State Treasurer appointed under ORS 113.235 is the affiant and shall receive the moneys [*as escheat*
45 *property*] **for deposit into the Unclaimed Property and Estates Fund as escheated property and**

1 **subject to claims under ORS 116.253.**

2 (6) The insured institution shall determine the relationship of the affiant or declarant to the
3 deceased depositor, but paying the moneys in good faith to the affiant or declarant discharges and
4 releases the insured institution from any liability or responsibility for the transfer in the same
5 manner and with the same effect as if the insured institution transferred, delivered or paid the
6 moneys to a personal representative of the estate of the deceased depositor.

7 (7) A probate proceeding is not necessary to establish the right of the surviving spouse, Oregon
8 Health Authority, Department of Human Services, surviving child, surviving parent, surviving
9 brothers and sisters or an estate administrator of the State Treasurer to withdraw the deposits after
10 filing the affidavit or declaration. If a personal representative is appointed in an estate where a
11 withdrawal of deposits was made under this section, the person that withdraws the deposits shall
12 account for the deposits to the personal representative.

13 (8) If an insured institution transfers moneys under subsection (1) of this section, the insured
14 institution may require the transferee to furnish the insured institution with a written indemnity
15 agreement that indemnifies the insured institution against loss for moneys the insured institution
16 transferred to the extent of the amount of the deposit.

17 (9)(a) Moneys disbursed to the Department of Human Services under subsection (1) of this sec-
18 tion may be made payable only to the department.

19 (b) Moneys disbursed to the Oregon Health Authority under subsection (1) of this section may
20 be made payable only to the authority.

21 (10) This section is subject to the rights of other parties in the account under ORS 708A.455 to
22 708A.515.

23 **SECTION 25.** ORS 723.466, as amended by section 77, chapter 678, Oregon Laws 2019, is
24 amended to read:

25 723.466. (1) On the death of a member of a credit union, if the deposit to the credit of the de-
26 ceased member is \$25,000 or less, the credit union may, upon receipt of an affidavit from a person
27 claiming the deposit as provided in subsection (3) of this section, or a declaration from the Depart-
28 ment of Human Services or the Oregon Health Authority as provided in subsection (4) of this sec-
29 tion, pay the moneys on deposit:

30 (a) To the surviving spouse on demand of the surviving spouse at any time after the death of
31 the member;

32 (b) If there is no surviving spouse, to the Oregon Health Authority or the Department of Human
33 Services, on demand of the authority or the department no less than 46 days and no more than 75
34 days after the death of the member when there is a preferred claim arising under ORS 411.708,
35 411.795 or 416.350;

36 (c) If there is no surviving spouse and no authority or department claim, to the member's sur-
37 viving children 18 years of age or older;

38 (d) If there is no surviving spouse, authority claim, department claim or surviving child 18 years
39 of age or older, to the member's surviving parents;

40 (e) If there is no surviving spouse, authority claim, department claim, surviving child 18 years
41 of age or older or surviving parent, to the member's surviving brothers and sisters 18 years of age
42 or older; or

43 (f) If there is no surviving spouse, authority claim, department claim, surviving child 18 years
44 of age or older, surviving parent or surviving brothers or sisters 18 years of age or older, to any
45 other surviving heir of the member.

1 (2)(a) A credit union may not pay moneys on deposit under subsection (1)(c) to (f) of this section
2 earlier than 46 days after the death of the member.

3 (b) A credit union may not pay moneys on deposit under subsection (1)(c) to (f) of this section
4 earlier than 76 days after the death of the member unless the financial institution obtains prior
5 verbal or written authorization from the Oregon Health Authority or its designated representative
6 and the Department of Human Services or its designated representative.

7 (3) An affidavit or declaration submitted under this section must:

8 (a) State where and when the member died;

9 (b) State that the total deposits of the deceased member in all financial institutions in this state
10 do not exceed \$25,000;

11 (c) Show the relationship of the affiant or declarant to the deceased member; and

12 (d) Embody a promise to pay the expenses of last sickness, funeral expenses and just debts of
13 the deceased member out of the deposit, to the full extent of the deposit if necessary, in the order
14 of priority prescribed by ORS 115.125, and to distribute any remaining moneys to the persons who
15 are entitled to those moneys by law.

16 (4) A credit union shall accept from the Department of Human Services or the Oregon Health
17 Authority, without additional requirements, a declaration under penalty of perjury meeting the re-
18 quirements of subsection (3) of this section. A declaration submitted under this section must be
19 signed by the declarant and must include the following sentence immediately above the signature
20 line of the declarant: "I hereby declare under penalty of perjury that I am authorized by the De-
21 partment of Human Services or the Oregon Health Authority to make this declaration, that the
22 above statement is true to the best of my knowledge and belief, and that I understand that it is
23 subject to penalty for perjury."

24 (5) In the event the member died intestate without known heirs, an estate administrator of the
25 State Treasurer appointed under ORS 113.235 shall be the affiant and shall receive the moneys [*as*
26 *escheat property*] **for deposit into the Unclaimed Property and Estates Fund as escheated**
27 **property and subject to claims under ORS 116.253.**

28 (6) The credit union shall determine the relationship of the affiant or declarant to the deceased
29 member. However, payment of the moneys in good faith to the affiant or declarant discharges and
30 releases the transferor from any liability or responsibility for the transfer in the same manner and
31 with the same effect as if the property had been transferred, delivered or paid to a personal repre-
32 sentative of the estate of the deceased member.

33 (7) A probate proceeding is not necessary to establish the right of the surviving spouse, Oregon
34 Health Authority, Department of Human Services, surviving children, surviving parents, surviving
35 brothers and sisters or an estate administrator of the State Treasurer to withdraw the deposits upon
36 the filing of the affidavit or declaration. If a personal representative is appointed in an estate where
37 a withdrawal of deposits was made under this section, the person withdrawing the deposits shall
38 account for them to the personal representative.

39 (8) When a credit union transfers moneys under subsection (1) of this section, the transferor may
40 require the transferee to furnish the transferor with a written indemnity agreement, indemnifying
41 the transferor against loss for moneys paid to the extent of the amount of the deposit.

42 (9)(a) Moneys disbursed to the Department of Human Services under subsection (1) of this sec-
43 tion may be made payable only to the department.

44 (b) Moneys disbursed to the Oregon Health Authority under subsection (1) of this section may
45 be made payable only to the authority.

1 (10) This section is subject to the rights of other parties to the account under ORS 723.474 to
2 723.498.

3
4 **OTHER UNCLAIMED PROPERTY**

5
6 **SECTION 26.** ORS 63.674, as amended by section 49, chapter 678, Oregon Laws 2019, is
7 amended to read:

8 63.674. Assets of a dissolved limited liability company that should be distributed to a creditor,
9 claimant or member of the limited liability company who cannot be found or who is not competent
10 to receive them shall be reduced to cash and, within six months after the final distribution of such
11 liquidation or winding up is payable, deposited with the State Treasurer **as unclaimed property**
12 **under ORS 98.352**. The receiver or other liquidating agent shall prepare in duplicate and under
13 oath a statement containing the names and last-known addresses of the persons entitled to such
14 funds. One of the statements shall be filed with the State Treasurer and another shall be delivered
15 to the office for filing. *[The funds shall then escheat to and become the property of the State of Oregon*
16 *and shall become a part of the Common School Fund. The person entitled to the distribution may re-*
17 *claim any funds so deposited in the manner provided in ORS 116.253 for estates that have escheated*
18 *to the state.]*

19 **SECTION 27.** ORS 65.674, as amended by section 50, chapter 678, Oregon Laws 2019, is
20 amended to read:

21 65.674. Assets of a dissolved corporation that should be transferred to a creditor, claimant or
22 member of the corporation who cannot be found or who is not competent to receive them shall be
23 reduced to cash unless they are subject to known trust restrictions and deposited with the State
24 Treasurer *[for safekeeping]* **as unclaimed property under ORS 98.352**. However, in the discretion
25 of the State Treasurer, property of unusual historic or aesthetic interest may be received and held
26 in kind. The receiver or other liquidating agent shall prepare in duplicate and under oath a state-
27 ment containing the names and last-known addresses of the persons entitled to such funds. One of
28 the statements shall be filed with the State Treasurer and another shall be delivered to the Secre-
29 tary of State for filing. *[The funds shall then escheat to and become the property of the State of Oregon*
30 *and shall become part of the Common School Fund. The person entitled to the transfer may reclaim*
31 *any funds so deposited in the manner provided in ORS 116.253 for estates that have escheated to the*
32 *state.]*

33 **SECTION 28.** ORS 652.405, as amended by section 67, chapter 678, Oregon Laws 2019, is
34 amended to read:

35 652.405. (1) The Commissioner of the Bureau of Labor and Industries shall attempt for a period
36 of not less than three years to make payment of wages collected under ORS 652.310 to 652.414 to
37 the person entitled thereto.

38 (2) By July 30 of each year, **the commissioner shall pay** wages collected by the commissioner
39 under ORS 652.310 to 652.414 and remaining unclaimed for a period of more than three years from
40 the date of collection *[shall escheat to the state and the commissioner shall pay those wages]* to the
41 State Treasurer *[for the benefit of the Common School Fund]* **as unclaimed property under ORS**
42 **98.352 or, by October 1 of each year, transfer the wages to the State Treasurer under ORS**
43 **293.455**. The State Treasurer shall issue a receipt for the money to the commissioner. *[No later than*
44 *10 years after the State Treasurer receives the escheated funds, a person entitled to claim the wages*
45 *may file a claim with the State Treasurer in the manner provided by ORS 116.253.]*

OPERATIVE DATES

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SECTION 29. Section 85, chapter 678, Oregon Laws 2019, as amended by section 18b, chapter 10, Oregon Laws 2020 (second special session), is amended to read:

Sec. 85. (1) Sections 1 to 6, chapter 678, Oregon Laws 2019, become operative on *[July 1, 2021]* **the effective date of this 2021 Act.**

(2) The amendments to statutes and session law by sections 7 to 80, chapter 678, Oregon Laws 2019, become operative on *[July 1, 2021]* **the effective date of this 2021 Act.**

[(3) The amendments to section 22, chapter 105, Oregon Laws 2018, by section 81, chapter 678, Oregon Laws 2019, become operative on the effective date of this 2020 second special session Act.]

[(4) The amendments to section 22, chapter 105, Oregon Laws 2018, by section 82, chapter 678, Oregon Laws 2019, become operative on the effective date of this 2020 second special session Act.]

[(5)] **(3)** The State Treasurer, the Department of State Lands and the State Land Board may take any actions before the operative dates specified in subsections *[(1) to (4)]* **(1) and (2)** of this section necessary to enable the State Treasurer to exercise, on and after the operative dates specified in subsections *[(1) to (4)]* **(1) and (2)** of this section, the duties, functions and powers required under chapter 678, Oregon Laws 2019.

UNIT CAPTIONS

SECTION 30. The unit captions used in this 2021 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2021 Act.

EMERGENCY CLAUSE

SECTION 31. This 2021 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect on its passage.

