

House Bill 2158

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 **as introduced**.

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.

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

SUBACCOUNTS OF THE COMMON SCHOOL FUND

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

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

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

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

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

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

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

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

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

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

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

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

26 (5) The department shall transfer moneys from the Legacy Unclaimed Property School
27 Fund to the Common School Fund as required under ORS 116.253 (1) and Article VIII, section
28 2 (1)(b), of the Oregon Constitution.

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

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

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

37
38 **ADMINISTRATION OF UNCLAIMED AND ESCHEATED PROPERTY**
39

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

41 **SECTION 6.** (1) There is established the Unclaimed Property and Estates Fund, separate
42 and distinct from the General Fund.

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

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

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

2 (c) Estates escheated to the state under ORS 112.055 and subject to claims under ORS
3 116.253;

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

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

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

9 (g) Interest earned by the fund.

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

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

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

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

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

15 (e) The costs of administering the fund.

16 (4) Moneys in the fund are not subject to an expenditure limitation.

17 (5) Before July 1 of each year, the State Treasurer shall transfer from the Unclaimed
18 Property and Estates Fund:

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

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

26 SECTION 7. (1) Except as provided in subsections (2) and (3) of this section, effective July
27 1, 2021, the following accounts, funds and sources of money are hereby transferred to the
28 Unclaimed Property and Estates Fund under section 6 of this 2021 Act:

29 (a) The Common School Fund Account;

30 (b) The Unclaimed Property Revolving Fund;

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

33 (d) The funds or accounts in which moneys are held by the Department of State Lands
34 or State Treasurer as escheated estates under ORS 116.193, 116.203, 116.253, 708A.430 or
35 723.466 that are still capable of being claimed under ORS 116.253 (1).

36 (2) The Department of State Lands and State Treasurer shall transfer only the moneys
37 identified as net activity that occurred on or after July 1, 2020, and on or before June 30,
38 2021, within the funds listed in subsection (1) of this section to the Unclaimed Property and
39 Estates Fund.

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

44 SECTION 8. (1) Sections 2 to 7 of this 2021 Act, the amendments to ORS 98.352, 98.386,
45 98.396, 98.992, 112.055, 116.193, 116.253, 178.050, 293.455, 293.701, 327.405, 708A.430, 711.225,

1 711.590, 716.905 and 723.466 by sections 1 and 10 to 25 of this 2021 Act and the repeal of ORS
 2 98.388 by section 9 of this 2021 Act are intended to complete the transfer of the unclaimed
 3 and escheated property from the Department of State Lands to the State Treasurer under
 4 chapter 678, Oregon Laws 2019, to rename the sources of funds listed in section 7 (1) of this
 5 2021 Act to the Unclaimed Property and Estates Fund and to carry out the purposes of the
 6 fund under section 6 of this 2021 Act.

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

11 (3) Nothing in sections 6 and 7 of this 2021 Act, the amendments to ORS 98.352, 98.386,
 12 98.396, 98.992, 112.055, 116.193, 116.253, 178.050, 293.455, 293.701, 327.405, 708A.430, 711.225,
 13 711.590, 716.905 and 723.466 by sections 1 and 10 to 25 of this 2021 Act or the repeal of ORS
 14 98.388 by section 9 of this 2021 Act relieves a person of a liability or obligation to the De-
 15 partment of State Lands, the Common School Fund Account or the Unclaimed Property Re-
 16 volving Fund that accrues before, on or after the effective date of this 2021 Act. The State
 17 Treasurer may undertake the collection or enforcement of any such liability, duty or obli-
 18 gation for deposit into the Unclaimed Property and Estates Fund.

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

27 (5) The State Treasurer is not required to transfer any funds under section 6 (5) of this
 28 2021 Act for the biennium ending June 30, 2021.

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

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

32 98.352. (1) A holder of property presumed abandoned under ORS 98.302 to 98.436 and 98.992 shall
 33 deliver to the State Treasurer the report described in subsection (2) of this section and shall pay
 34 or deliver to the State Treasurer, for deposit in the [*Unclaimed Property Revolving Fund*] **Un-**
 35 **claimed Property and Estates Fund**, all property presumed abandoned, except that for the fol-
 36 lowing funds the holder is not required to deliver the funds presumed abandoned to the State
 37 Treasurer:

- 38 (a) Funds transferred to the General Fund under ORS 293.455 (1)(a).
- 39 (b) Funds in the possession of the Child Support Program described in ORS 180.345.
- 40 (c) Funds described in ORS 9.725 (3) or 98.386 (2) that are held in lawyer trust accounts or in
 41 the possession of the Oregon State Bar.

42 (2) A report must include:

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

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

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

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

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

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

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

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

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

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

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

33 98.386. (1) Except as provided in subsection (2) of this section, all funds received under ORS
 34 98.302 to 98.436 and 98.992, including the proceeds from the sale of unclaimed property under ORS
 35 98.382, shall be deposited by the State Treasurer in the [*Common School Fund Account*] **Unclaimed**
 36 **Property and Estates Fund**. Before making the deposit, the State Treasurer shall record the name
 37 and last-known address of each person appearing from the holders' reports to be entitled to the un-
 38 claimed property and the name and last-known address of each insured person or annuitant, and
 39 with respect to each policy or contract listed in the report of a life insurance corporation, its
 40 number, the name of the corporation, and the amount due.

41 (2) Any amounts identified as lawyer trust account funds in the report required by ORS 98.352
 42 shall be paid or delivered by the holder to the Oregon State Bar along with a copy of the report.
 43 All amounts paid or delivered to the Oregon State Bar under this section are continuously appro-
 44 priated to the Oregon State Bar and may be used only for the funding of legal services provided
 45 through the Legal Services Program established under ORS 9.572, the payment of claims allowed

1 under ORS 98.392 (2) and the payment of expenses incurred by the Oregon State Bar in the admin-
 2 istration of the Legal Services Program.

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

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

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

8 (c) Reasonable service charges.

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

11 98.396. (1) The State Treasurer shall consider any claim filed under ORS 98.392 and may hold
 12 a hearing and receive evidence concerning the claim. If a hearing is held, the State Treasurer shall
 13 prepare findings and a decision in writing on each claim filed, stating the substance of any evidence
 14 heard by the State Treasurer and the reasons for the decision. A decision is a public record.

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

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

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

22 98.992. A person who willfully fails to render any report, to pay or deliver property or to per-
 23 form other duties required by ORS 98.302 to 98.436 and 98.992 may be required to forfeit and pay
 24 to the State Treasurer to be deposited in the [*Common School Fund Account*] **Unclaimed Property**
 25 **and Estates Fund**, an amount determined by the State Treasurer pursuant to ORS 183.745 of not
 26 more than \$1,000 for individuals and \$50,000 for corporations. This penalty shall be assessed only
 27 after at least one reporting cycle, and only after the State Treasurer has provided the person with
 28 written instructions, including copies of applicable laws and policies. The State Treasurer may waive
 29 any penalty due under this section with appropriate justification.

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

32 112.055. (1) If, after diligent search and inquiry that is appropriate to the circumstances, taking
 33 into account the value of the decedent's estate, no person takes under ORS 112.025 to 112.045, the
 34 net intestate estate escheats to the State of Oregon.

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

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

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

43 (b) Title to property of the decedent that would vest in the missing devisee or person under ORS
 44 114.215 vests in the State Treasurer **to hold for the benefit of the Unclaimed Property and Es-**
 45 **tates Fund and subject to claims under ORS 116.253;** and

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

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

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

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

7 116.193. If it appears to the court, at any time after the expiration of four months after the date
 8 of the first publication of notice to interested persons, that there is no known person to take by
 9 descent the net intestate estate, the court shall order that the estate escheat to the State of Oregon
 10 and that the whole of the estate, after payment of claims, taxes and expenses of administration, be
 11 distributed to the State Treasurer **for deposit into the Unclaimed Property and Estates Fund.**
 12 There shall be no further proceeding in the administration of the estate, and the estate shall sum-
 13 marily be closed.

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

16 116.253. (1) Within 10 years after the death of a decedent whose estate escheated in whole or
 17 in part to the state, or within eight years after the entry of a judgment or order escheating property
 18 of an estate to the state, a claim may be made for the property escheated, or the proceeds thereof,
 19 by or on behalf of a person not having actual knowledge of the escheat or by or on behalf of a
 20 person who at the time of the escheat was unable to prove entitlement to the escheated property.

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

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

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

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

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

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

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

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

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

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

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

45 **(a) Pay from the Unclaimed Property and Estates Fund the proportional share of the**

1 **proceeds or value of the property without interest and subject to the proportional share of**
 2 **the costs of administering the estate, including attorney fees and personal representative**
 3 **fees paid by the estate; or**

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

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

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

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

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

24 293.455. (1) After October 1, the State Treasurer may refuse payment of the unrepresented checks
 25 or orders included in the report referred to in ORS 293.450.

26 The State Treasurer shall:

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

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

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

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

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

38 293.701. As used in ORS 293.701 to 293.857, unless the context requires otherwise:

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

40 (2) "Investment funds" means:

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

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

43 (c) Consumer and Business Services Fund referred to in ORS 705.145;

44 (d) Employment Department Special Administrative Fund referred to in ORS 657.822;

45 (e) Insurance Fund referred to in ORS 278.425;

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

1 (i) Forest Development Revenue Bond Fund referred to in ORS 530.147 and State Forestry
 2 General Obligation Bond Fund referred to in ORS 530.280;

3 (j) Oregon War Veterans' Fund referred to in ORS 407.495;

4 (k) Oregon War Veterans' Bond Sinking Account referred to in ORS 407.515;

5 (L) World War II Veterans' Compensation Fund;

6 (m) World War II Veterans' Bond Sinking Fund;

7 (n) Funds in the hands of the State Treasurer that are not required to meet current demands
 8 and that are invested in the Oregon Short Term Fund established under ORS 293.728 or in another
 9 commingled investment vehicle;

10 (o) State funds that are not subject to the control and administration of officers or bodies spe-
 11 cifically designated by law;

12 (p) Funds derived from the sale of state bonds;

13 (q) Social Security Revolving Account referred to in ORS 237.490;

14 (r) Public University Fund established by ORS 352.450;

15 (s) Local Government Employer Benefit Trust Fund referred to in ORS 657.513;

16 (t) Education Stability Fund established by ORS 348.696;

17 (u) Deferred Compensation Fund established under ORS 243.411;

18 (v) Trust for Cultural Development Account established under ORS 359.405;

19 (w) The State Library Donation Fund and the Talking Book and Braille Library Endowment
 20 Fund subaccount established under ORS 357.195;

21 (x) Funds in the [*Unclaimed Property Revolving Fund created in ORS 98.388*] **Unclaimed Prop-**
 22 **erty and Estates Fund**; and

23 (y) Funds in the Common School Fund **or any subaccount of the fund**, that are available for
 24 investment.

25 (3) "Investment officer" means the State Treasurer in the capacity as investment officer for the
 26 council.

27 **SECTION 20.** ORS 327.405, as amended by section 66, chapter 678, Oregon Laws 2019, is
 28 amended to read:

29 327.405. (1) The Common School Fund [*shall be*] **is** composed of:

30 (a) The proceeds from the sales of the 16th and 36th sections of every township or of any lands
 31 selected in lieu thereof;

32 (b) All the moneys and clear proceeds of all property that may accrue to the state by escheat
 33 or forfeiture;

34 (c) The proceeds of all gifts, devises and bequests made by any person to the state for common
 35 school purposes;

36 (d) The proceeds of all property granted to the state when the purpose of such grant is not
 37 stated;

38 (e) All proceeds of the sale of submerged and submersible lands as described in ORS 274.005;

39 (f) All proceeds of the sale of the South Slough National Estuarine Research Reserve as de-
 40 scribed in ORS 273.553 in the event such property is sold;

41 (g) All proceeds of the sale of the 500,000 acres of land to which this state is entitled by an
 42 Act of Congress approved September 4, 1841, and of all lands selected for capitol building purposes
 43 under Act of Congress approved February 14, 1859;

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

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

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

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

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

11 711.225. Six months after the mailing of the written notice described in ORS 711.220 (3), the
 12 Oregon stock bank shall deliver a report and all deposits that remain unclaimed to the State
 13 Treasurer as unclaimed property *[for deposit in the Unclaimed Property Revolving Fund]* under ORS
 14 98.352 and deliver a copy of the report filed with the State Treasurer to the Director of the De-
 15 partment of Consumer and Business Services.

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

18 711.590. (1) Two years after the date of the final order closing the liquidation of an institution,
 19 the Director of the Department of Consumer and Business Services may withdraw any unclaimed
 20 deposits or balances remaining to the credit of dividend accounts, representing the aggregate of
 21 undelivered checks or unpaid dividend funds in the possession of the Department of Consumer and
 22 Business Services, and report and pay the funds to the State Treasurer as unclaimed property *[for*
 23 *deposit in the Unclaimed Property Revolving Fund]* under ORS 98.352.

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

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

29 716.905. (1) Upon approval of a plan under ORS 716.900, the directors shall mail written notice
 30 of their intention to close the Oregon nonstock bank to the last-known address of all depositors and
 31 other creditors.

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

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

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

41 708A.430. (1) On the death of a depositor of an insured institution, if the deposit is \$25,000 or
 42 less, the insured institution, after receiving an affidavit as provided in subsection (3) of this section
 43 from a person that claims the deposit, or a declaration from the Department of Human Services or
 44 the Oregon Health Authority as provided in subsection (4) of this section, may pay the moneys on
 45 deposit to the credit of the deceased depositor, in the following order of priority, to:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

40 (5) In the event the depositor died intestate without known heirs, an estate administrator of the
41 State Treasurer appointed under ORS 113.235 is the affiant and shall receive the moneys [*as escheat*
42 *property*] **for deposit into the Unclaimed Property and Estates Fund as escheated property and**
43 **subject to claims under ORS 116.253.**

44 (6) The insured institution shall determine the relationship of the affiant or declarant to the
45 deceased depositor, but paying the moneys in good faith to the affiant or declarant discharges and

1 releases the insured institution from any liability or responsibility for the transfer in the same
 2 manner and with the same effect as if the insured institution transferred, delivered or paid the
 3 moneys to a personal representative of the estate of the deceased depositor.

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

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

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

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

18 (10) This section is subject to the rights of other parties in the account under ORS 708A.455 to
 19 708A.515.

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

22 723.466. (1) On the death of a member of a credit union, if the deposit to the credit of the de-
 23 ceased member is \$25,000 or less, the credit union may, upon receipt of an affidavit from a person
 24 claiming the deposit as provided in subsection (3) of this section, or a declaration from the Depart-
 25 ment of Human Services or the Oregon Health Authority as provided in subsection (4) of this sec-
 26 tion, pay the moneys on deposit:

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

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

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

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

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

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

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

45 (b) A credit union may not pay moneys on deposit under subsection (1)(c) to (f) of this section

1 earlier than 76 days after the death of the member unless the financial institution obtains prior
 2 verbal or written authorization from the Oregon Health Authority or its designated representative
 3 and the Department of Human Services or its designated representative.

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

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

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

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

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

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

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

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

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

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

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

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

43 (10) This section is subject to the rights of other parties to the account under ORS 723.474 to
 44 723.498.

OTHER UNCLAIMED PROPERTY

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

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

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

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

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

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

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

OPERATIVE DATES

