

## HOUSE COMMITTEE ON GENERAL GOVERNMENT

February 02, 1999 Hearing Room D

01:00 p.m. Tapes 10 - 11

**MEMBERS PRESENT:** Rep. Carl Wilson, Chair

Rep. Jason Atkinson, Vice-Chair

Rep. Chris Beck, Vice-Chair

Rep. Jo Ann Bowman

Rep. Ryan Deckert

Rep. Bruce Starr

Rep. Ron Sunseri

Rep. Terry Thompson

**MEMBERS EXCUSED:** Rep. Steve Harper

**STAFF PRESENT:** Cara Filsinger, Administrator

Faye D. Trupka, Administrative Support

**MEASURE/ISSUES:** SB 433 Public Hearing

HB 2157 Public Hearing

Introduction of committee bills

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments

**TAPE 10, A**

005

Chair Wilson

Opens meeting at 1:07 p.m. Opens public hearing on HB 2157.

**HB 2157 Public Hearing**

010

Cara Filsinger

Administrator. Explains HB 2157 and fiscal impact statement.

020

Paul R. Cleary

Director, Division of State Lands (DSL). Explains HB 2157 **(EXHIBIT A)**.

068

Rep. Sunseri

Asks the process for banks to notify individuals named on an account before it's declared abandoned.

075

Cleary

Responds that banks are required to send information to the last known address.

085

Rep. Sunseri

Questions if the procedure is followed. Asks if there is a procedure set in place for the owner to reclaim the property.

091

Cleary

Replies that the holder must show DSL that they have clearly attempted to notify the individuals who have deposits with them.

096

Rep. Sunseri

Describes a situation where a group had money in a checking account, never received notification from a bank, but did receive a letter that their account had been forfeited because of abandonment. Cites incident of a \$131,000 retirement fund that the beneficiary has not been able to retrieve her money.

104

Cleary

Explains that DSL would be requiring a more timely turnover to the state and for the holders to exercise due diligence to avoid the records getting too stale.

119

Rep. Bowman

Inquires about the benefits to the consumer with a small account.

120

Cleary

Replies that it provides a more active search for the owner.

126

Rep. Bowman

Asks where someone would go to find out if they are entitled to abandoned funds.

130

Cleary

Comments an individual can contact DSL, check the newspaper or access the information on the web site.

134

Rep. Bowman

Suggests that the average citizen does not know what happens to money left in an account.

138	Cleary	Agrees that people don't immediately associate abandoned funds with the Division of State Lands. Mentions that the DSL publishes in newspapers and distributes to other media, including web sites.
153	Cleary	Introduces Marcella Easley.
156	Marcella Easley	Abandoned Property Manager, DSL. Remarks that the two year dormancy will not effect banks or any other type of accounts, but rather securities. Reports DSL will still have a five year waiting period for other types of accounts.
162	Rep. Thompson	Asks if securities mean stocks.
165	Easley	Responds yes.
167	Rep. Thompson	Remarks that two years time is not a lengthy period.
171	Easley	Agrees that people usually do not check their assets on a regular basis. States that if there is a social security number and the account has \$100 or more the division researches a database free of charge to the holder. States there is a 70% return rate.
194	Rep. Thompson	Maintains that most older stocks do not have a social security number on record.
196	Easley	Affirms that is correct. Remarks that if the account is large, a staff person researches death records, directories and detailed records resulting in a success rate of 70%.
206	Rep. Thompson	Asks if people are out of the country and inaccessible, would they lose their accounts.
208	Cleary	Responds that these individuals do not lose their accounts. States the stock agent's responsibility is then transferred to DSL, who is required to find these people.
215	Rep. Thompson	Asks how long accounts are held by DSL.
218	Cleary	Responds that accounts are held in perpetuity
226	Chair Wilson	Closes public hearing on HB 2157 and opens public hearing on SB 433.
<b><u>SB 433 Public Hearing</u></b>		
230	Joe Brewer	Administrator, Building Codes Division. Gives history of the division and

		explanation of SB 433 ( <b>EXHIBIT B</b> ). Supports SB 433.
286	Rep. Deckert	Mentions that a constituent in his district, recently had an experience with the division regarding the elevator in his building. Reports that the constituent was told about a recently adopted code or rule which stated that he would have to spend approximately \$30,000 per year in pumping water from his elevator shaft. Asks if that is a code or rule.
290	Brewer	Responds that it is a code and a national standard. States the code was adopted about 18 months ago.
298	Rep. Thompson	Asks if the measure will effect an already existing loan.
306	Brewer	Responds that the code in place at the time of application is the regulatory code.
314	Rep. Bowman	Asks if the adoption of the bill would eliminate temporary or emergency rules.
321	Brewer	States that it would not completely eliminate the need for temporary or emergency rules, but would make the work load more manageable.
326	John Gervais	Representing the National Electrical Contractors Association and the International Brotherhood of Electrical Workers Local 48. Supports SB 433.
364	Burton Weast	Representing Oregon Association of Plumbing, Heating and Cooling Contractors. Supports passage of SB 433.
372	Chair Wilson	Closes SB 433 and opens work session on committee bills.
<b><u>WORK SESSION: INTRODUCTION OF COMMITTEE BILLS</u></b>		
380	Chair Wilson	Opens work session for the purpose of committee bill introduction. Gives description of LC 2138 ( <b>EXHIBIT C</b> ).
400	Rep. Thompson	Asks for a five minute recess for discussion.
440	Chair Wilson	Calls recess at 1:25 p.m.
<b>TAPE 11, A</b>		
010	Chair Wilson	Reopens committee at 1:30 p.m.
012	Rep. Atkinson	<b>MOTION: Moves to ADOPT LC 2138 dated 01/21/99 as a</b>

		<b>committee bill.</b>
		<b>VOTE: 8-0</b> <b>EXCUSED: 1 - Harper</b>
	<b>Chair</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
025	Chair Wilson	Closes work session and adjourns at 1:35 p.m.

Submitted By, Reviewed By,

Faye D. Trupka, Cara Filsinger,

Administrative Support Administrator

#### **EXHIBIT SUMMARY**

**A ñ HB 2157, written testimony, Paul R. Cleary, 2 pp.**

**B ñ SB 433, written testimony, Joe Brewer, 1 p.**

**C ñ LC 2138, staff, 3 pp.**