

Unclaimed Property Claims Overview

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**OREGON
STATE
TREASURY**

July 17, 2024

Oregon Unclaimed Property

- **1957 Oregon Abandoned Property Act**
- **Holds \$1B in unclaimed funds; more than \$100M received every year by November 1**
- **Returned \$600M to owners**
- **Processed 65K claims in 2023 - \$60M**
 - **Auto-approval process: \$5M**
 - **Manual approval (staff review): \$45M**
 - **Data-match: \$10M**

<https://unclaimed.oregon.gov/>



Anyone can hold unclaimed funds and have unclaimed property

○ Unclaimed funds...

- **Belong to owners FOREVER**
- **Can be claimed for free, 24/7**

○ Claims process

- **Fully electronic**
- **Option for paper claims**



Claims Vary

- **Value: <\$1 to \$5M**
- **Complexity**
 - **multiple owners**
 - **closed businesses**
 - **bankruptcies**
 - **heirships**
 - **assumptions and agents**



Who can claim funds?

- **Owners directly (a person, multiple people, a business)**
- **Agents and representatives of owners (via a power of attorney)**
- **Heirs or personal representatives of an estate**
- **Finders (via a contract with the owner; finders must hold a PI license in Oregon; finders take a cut of the unclaimed property)**
- **Creditors (via a garnishment)**
- **Purchasers of rights (via contracts with owners under a variety of terms)**



Claim Form

- **Claim form details: OAR 170-140-0100**
 - **Names, address, SSN (optional), contact information**
 - **Notarized signature (\$2,500+, but it used to be \$100+)**
 - **Indemnification:** “I declare under penalty of perjury or mail fraud that to the best of my knowledge I am entitled to the assets of this claim and agree to indemnify and hold the State Treasurer harmless for and from all claims, loss, costs, damages and expenses that State Treasurer may sustain by turning this asset over to me, or refusal to pay this asset or any part of it to any other person(s).”



Claims Evidence

- **The burden of proof is on the claimant: OAR 170-140-0130**
- **Evidence proving the claim: OAR 170-140-0105 and OAR 170-140-0115**
- **Evidence when claim is filed on behalf of a claimant: OAR 170-140-0110**
 - **Licensed finder, guardian or conservator, agent, employee,**



Evidence

- **Who is the person claiming?**
 - **Copy of photo ID, verification of SSN (SSN card, tax records, some benefit statements, etc.)**
- **Do they have a right to the property?**
 - **Connection to the property**
 - **Bank statement, bills with same address, etc.**
 - **Explanation of connection**
- **Are they claiming the right property?**
 - **Common names...**
 - **Is this the right John Smith?**
 - **Did this company buy the rights from the right owner?**
- **Verification of where we are sending the money (if we are not sending the money to the address of record)**



Evaluating the Evidence

- **Trust but verify**
 - **Independent verification of evidence**
 - **Accurint (Lexis Nexis product available by paid subscription)**
 - **Clear (Thompson Reuter product available by paid subscription)**
 - **Court records**
 - **Business registry**
 - **Communication with the holder who reported the property**
 - **Original, unredacted documents**
 - **Request more evidence to address gaps**



Fraud considerations

- **Fraud has increased 600% since the beginning of the pandemic**
- **We see it in claims of various value: \$250 - \$200K**
- **Electronic claims lend themselves to more fraud**
- **Easy to get fake documents that look real (IDs, passports, bank statements, utility bills, etc.)**
- **Unclaimed property is the perfect crime – once it's gone, it's very unlikely that the rightful owner will come forward**



Fraud Mitigation

- **Website analytics – fraud index highlights potentially fraudulent claims**
 - **Our system flagged 11,000+ claims worth \$33M in the last 5 years**
- **Independent verification – at a minimum, we check SSN (if it's reported by the holder)**
- **Stay current on fraud trends**
- **Communicate with other states on fraudulent activities**
- **Other states have added fraud examiners to their staff and are prosecuting cases**



What you can expect...

- **Claims from a variety of individuals**
 - **Owners**
 - **Heirs or personal representatives**
 - **Oregon State Treasury**
 - **Estates Administration Program**
- **Finders representing owners**
- **Companies that bought the rights to foreclosure surplus**
- **Fraudulent claims and documents**



Best Practices

- **Ask for notarized signatures on claim forms beyond a certain value level**
- **Ask for supporting documentation**
- **Verify what you can independently**
- **Ask for original, unredacted contracts if surplus property was sold by owner**
- **Keep the process consistent regardless of who is claiming**
- **When dealing with companies that bought assets, they may tell you they are the owners, but you have to verify they bought that property from the right person**
 - **Treat the claim as an owner claim and add to it the business agreement and proof that the person who is claiming is authorized to act on behalf of the company**



Thank you!

Questions?

Claims

claims@ost.state.or.us

503-566-9445

Holder

holder@ost.state.or.us

503-986-5290



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