



CAPITOL COMMENTS

*State Legislative Bulletin of the
Oregon Bankers Association*

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OBA Public Funds Bill Moving Forward

HB 2901, introduced at the request of the Oregon Bankers Association and the Oregon Association of Treasurers, passed the Oregon State House of Representatives with a unanimous vote on Tuesday, May 1. This measure is the result of a year-long workgroup dealing with the collateralization of public funds. Members of the workgroup included representatives of the OBA and local governments. The process has also involved representatives of the State Treasurer's office. This bill has been referred to the Senate Ways and Means Committee, and we fully expect it to move through the Senate process on schedule.

In addition, the Credit Union Association introduced **SB 1023**, which would allow their institutions to accept public fund deposits in excess of their current \$100,000 limit. We are pleased to report that there has been no progress on this bill, nor is it expected to move during the current session.

Update on Key Legislative Proposals

SB 583, which would allow consumers to freeze their credit file and would direct companies on how to deal with security breaches, has passed out of Senator Floyd Prozanski's Senate Commerce Committee and has been sent to the Joint Ways and Means Committee. There are two key issues that the OBA continues to work on: the funding mechanism for this new DCBS program, and an amendment to clarify language in the bill that DCBS is not granted powers over national banks as a result of the passage of SB 583.

HB 2871, a 36% interest rate cap on loans made under a consumer finance license, has passed the House and been assigned to the Senate Commerce Committee. The OBA continues to oppose this bill and will seek amendments in the Senate. House Speaker Jeff Merkley, the bill's sponsor, considers this one of his priorities.

SB 965, Senators Brad Avakian and Kate Brown's bill dealing with subprime lending, passed out of the Senate on Friday. The OBA would oppose this bill becoming law in its current form, but we have been assured by Senate Business Committee Chair Rick Metsger that he will continue to work with us and the appropriate House Committee Chair when the bill is assigned in the House.

Both a House and Senate gift card bill are still alive this session. **SB 460** recently passed out of the Senate Revenue Committee and includes an OBA amendment to exclude multi-user cards, such as VISA and Mastercard gift cards. **HB 2513** has passed the House and been assigned to the Senate Commerce Committee. Senator Rod Monroe, a member of both the Senate Revenue

and Commerce Committees is drafting an exclusion amendment similar to the one adopted in SB 460.

SB 840, a bill that would subject banks to statutory reporting of suspected elder abuse, has died a peaceful death in the Senate Judiciary Committee. The OBA owes Committee Chair Ginny Burdick thanks for not hearing the bill, especially since she was a co-sponsor of the bill!

Thought for the Week

"I am always doing that which I can not do, in order that I may learn how to do it."

-Pablo Picasso (1881-1973)