

# CREDIT UNIONS

We have passed the first deadline in the Capitol and have a better idea of what bills will continue to move through the process. Fortunately, all our priorities are on track. Some of the big themes for the first couple of months have been preparing the initial package of bills to work on affordable housing and homelessness, and positioning Oregon to remain a leader in semiconductor chip manufacturing.

Here is the status of some of the priority bills for credit unions:

1. HB3200 - Update to Oregon Credit Union Act. **The bill passed out of the House Business & Labor Committee on March 15<sup>th</sup> and the House floor on a unanimous vote. The bill is scheduled for a hearing in the Senate Committee on April 6<sup>th</sup>.**

The bill makes four important changes:

- Governance – Provide State Chartered Credit Unions Fiscal Year Flexibility.
- Governance - Board Officer Election Flexibility.
- Compensation of CU Board Officials Serving on Credit Union Committees.
- Increased Powers for CU Investment Policy.

2. SB3 - Adding Financial Empowerment/Life Skills to Curriculum. Senate Bill 3, Introduced by Senator Rob Wagner and Senator Tim Knopp. It will add one credit of “future planning” to high school curriculum. **This bill had a public hearing on Feb. 28<sup>th</sup> and passed out of committee on March 30<sup>th</sup>. Unfortunately, the committee added a referral to the Ways and Means Committee.** There were other bills introduced on financial literacy, but they did not make it past the deadline.

3. HB3080, among other things, specifies that vehicle dealer records may be maintained electronically through the Oregon Department of Motor Vehicles. We believe permitting the use of *digital* signatures and electronic documents, subject to reasonable and appropriate safeguards, will save the state time and expense and reduce the amount of time and effort required of borrowers and lenders, ensuring a new title certificate with the appropriate information will result. **This bill had a public hearing on 2/16 and a final amendment is being drafted. We expect the bill to move out of committee. It is in a committee without deadlines.**

4. SB619, the statewide data privacy legislation, would provide certain rights to consumers and set responsibilities for data controllers regarding data collected from consumers' online activities. **The bill had a hearing on March 7<sup>th</sup> and the Association is suggesting several changes to the current draft. The bill passed out of the Senate Judiciary Committee on April 3<sup>rd</sup> with**

**the amendment language we worked on. This bill will go to the Ways and Means Committee.** This is background from our testimony: “Since the bill was introduced, the DOJ has signaled a need for further refinements, including changes to the financial institution exemption. A draft of these changes was recently circulated. That draft would essentially nullify the financial institution exemption contained in the bill as introduced, and the GWCUA could not support such an amendment. In subsequent discussions with DOJ, we reached consensus on appropriate revisions to that amendment that would largely resolve our concerns. We understand that a forthcoming amendment that includes changes to the draft will resolve those concerns. These changes will exempt financial institutions (as defined in ORS 706.008) from coverage of the new law.”

5. HB2008 – Garnishment and the Homestead Exemption. This bill makes a number of changes to the amounts listed in our garnishment statutes and requires a financial institution to leave a minimum of \$12,000 in a debtor’s account. Here is an overview of the bill, “Exempts from execution or garnishment specific property and funds of judgment debtor. Increases minimum protected wage amount from \$254 to \$1,000 per week; exempts working car, work tools, and work equipment from debt collection seizures; increases homestead exemption from \$40,000 to median home value in county where home is located; and requires financial institution to leave a minimum of \$12,000 in debtor's account. Permits plaintiff to bring action, including class action, for unlawful debt collection practice within six years after discovering unlawful practice and increases amount of recoverable statutory damages.” **The Association submitted testimony in opposition of HB2008 and is currently working with a group of stakeholders on amendments. The bill was referred to the Rules Committee to keep it “alive.”**

6. HB3492 - The House Housing & Homelessness Committee is hearing on one of the bills that came out of the Task Force on Addressing Racial Disparities in Homeownership. **Several credit unions provided testimony in support for this bill on March 16<sup>th</sup> and it is expected to move out of committee.** This legislation would implement a pilot program to create a special purpose credit program to help individuals who have ITINs obtain more affordable financial products to secure homeownership.

### **Housing and Homelessness**

The Governor’s top priority this legislative session is Housing and last week the House passed two bills, HB2001 and HB5019, which direct approximately

\$200 million to build more affordable housing and fund expansion of homeless services. The bills are expected to provide a range of services including expanded shelter capacity and expanded resources for youth homelessness, rental assistance, modular housing, tribal support, agriculture employee housing, and rural homeless services.

### **Business/Employment Bills**

The GoWest Credit Union Association, along with several Oregon credit unions, are member of Oregon Business & Industry. Through this Association, we work with other business leaders around the state on general employment bills. We meet regularly to find agreement and work on joint coalition letters. Here are just a few of the bills we are tracking this session:

- **Hiring and Retention Bonuses.** GoWest signed onto a coalition letter in support on HB3205, which would exempt hiring and retention bonuses from Oregon’s Equal Pay statute. Last Monday, the House Committee on Business and Labor heard the bill. Reps. Janelle Bynum (D-Clackamas County) and Hai Pham (D-Washington County), who are House sponsors of the bill, along with a panel of four employers—public and private—representing education, healthcare, and service industries demonstrated why Oregon employers need flexibility to offer hiring and retention bonuses to recruit and retain workers. Stakeholders from industries ranging from transportation to law enforcement and from retail to higher education submitted written testimony in support. Oregon is the only state with such restrictions on these bonuses.
- **Paid Leave Oregon / Oregon Family Leave Act.** OBI is working to get some better alignment between these two significant leave laws. They expect significant amendments and fixes to the laws that will be included in SB999.
- **Employer Burdens.** We are also following SB851, which would hold employers liable for everything from poor performance reviews to disagreements between employees, and SB907, which would allow employees to refuse work they deem is too dangerous and take paid sick leave when they do so. The bills were heard by the Senate Committee on Labor and Business. Neither bill has been scheduled for a vote.
- **Insurance – “Bad Faith” Suits and the UTPA.** Last week, the House Committee on Business and Labor sent two bills to the House Floor (HB3242 and HB3243) that would raise insurance rates and bog down Oregon’s court system with unnecessary litigation by allowing individuals to file lawsuits against insurance companies for alleged “bad faith” negotiating tactics and strip the insurance industry’s exemption under Oregon’s Unlawful Trade Practices Act.

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