

REVENUE: No revenue impact
FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Ways and Means
Vote:	4 - 0 - 1
Yeas:	Avakian, Gordly, Monroe, Prozanski
Nays:	0
Exc.:	Beyer
Prepared By:	Anna Braun, Administrator
Meeting Dates:	3/21, 5/9

WHAT THE MEASURE DOES: Requires check-cashing businesses to obtain license from the Department of Consumer and Business Services. Establishes licensing and regulatory program. Limits check-cashing fees. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Impacts to low income residents
- Other states that regulate fees

EFFECT OF COMMITTEE AMENDMENT: Adds the fee option of a \$5 limit to other payment instrument in addition to 10 percent of the face value and adds the words “whichever is greater.”

BACKGROUND: The 2006 Oregon Population Survey found that 11 percent of Oregonians do not have bank accounts. For those without a bank account a check-cashing business may be their only way to cash a check. Currently, Oregon does not regulate check cashing fees.

HB 2202 B limits check-cashing fees. Specifically, fees for checks issued by federal, state or the local government in which the person is cashing the check may be up to \$5 or 2 percent of the face value of the check, whichever greater; fees for checks from other cities or states or payroll checks may be up to \$5 or 3 percent of the face value of the check, whichever greater; and fees for other payment instruments charge may be up to \$5 or 10 percent of the payment instrument. A service fee of more than \$100 is prohibited as excessive. The measure does not apply to banks and credit unions.