

**SENATE AMENDMENTS TO
A-ENGROSSED HOUSE BILL 2203
(INCLUDING AMENDMENTS TO RESOLVE CONFLICTS)**

By COMMITTEE ON COMMERCE

May 30

1 On page 2 of the printed A-engrossed bill, delete lines 17 through 19 and insert:

2 “(2) The provisions of ORS 725.600 to 725.625 do not prevent a lender from recovering amounts
3 associated with the collection of a defaulted loan that are authorized by statute or awarded by a
4 court of law.

5 **“SECTION 2a. If House Bill 2204 becomes law, section 2 of this 2007 Act (amending ORS**
6 **725.615) is repealed and ORS 725.615, as amended by section 2, chapter _____, Oregon Laws**
7 **2007 (Enrolled House Bill 2204), is amended to read:**

8 “725.615. (1) A lender in the business of making title loans may not:

9 “(a) Make or renew a title loan at a rate of interest that exceeds 36 percent per annum, ex-
10 cluding a one-time origination fee for a new loan;

11 “(b) Charge an origination fee for a new title loan of more than \$10 for each \$100 of the amount
12 of the loan;

13 “(c) Make or renew a title loan for a term of less than 31 days;

14 “(d) Charge a consumer any fee or interest other than a fee or interest described in paragraph
15 (a) [or], (b) or (e) of this subsection or in subsection (2) of this section;

16 **“(e) Charge the consumer more than the actual amount that the vendor or service pro-**
17 **vider charges the lender for access to or use of the system described in section 5 of this 2007**
18 **Act;**

19 “[e] (f) Include any of the following provisions in a title loan contract:

20 “(A) A hold-harmless clause;

21 “(B) A confession of judgment or other waiver of the right to notice and the opportunity to be
22 heard in an action;

23 “(C) An agreement by the consumer not to assert any claim or defense arising out of the con-
24 tract against the lender or any holder in due course;

25 “(D) An executory waiver or a limitation of exemption from attachment, execution or other
26 process on real or personal property held by, owned by or due to the consumer, unless the waiver
27 or limitation applies only to property subject to a security interest executed in connection with the
28 loan; or

29 “(E) A clause permitting the continuation of interest after repossession of the consumer’s motor
30 vehicle, recreational vehicle, boat or mobile home;

31 “[f] (g) Conduct a title loan business where liquor or lottery tickets are sold or where gambling
32 devices are located;

33 “[g] (h) Require or accept from a consumer a set of keys to the motor vehicle, recreational
34 vehicle, boat or mobile home whose title secures the title loan;

1 “[(h)] (i) Make more than one outstanding loan that is secured by one title;
2 “[(i)] (j) Renew an existing loan that is secured by one title more than two times after the loan
3 is first made; or
4 “[(j)] (k) Make a new title loan to a consumer within seven days of the date on which a previous
5 title loan expires.
6 “(2)(a) A lender in the business of making title loans may not charge the consumer more than
7 one fee per loan transaction for dishonored checks or insufficient funds, regardless of how many
8 checks or debit agreements the lender obtains from the consumer for the transaction. The fee may
9 not exceed \$20.
10 “(b) A lender in the business of making title loans may not collect a fee for a dishonored check
11 under ORS 30.701 or seek or recover statutory damages and attorney fees from a consumer for a
12 dishonored check under ORS 30.701. The lender may recover from the consumer any fee charged to
13 the lender by an unaffiliated financial institution for each dishonored check. For a dishonored check
14 or insufficient funds, the fees described in this subsection are the only remedy a lender may pursue
15 and the only fees a lender may charge.
16 “**(3) The provisions of ORS 725.600 to 725.625 do not prevent a lender from recovering**
17 **amounts associated with the collection of a defaulted loan that are authorized by statute or**
18 **awarded by a court of law.”.19 On page 3, delete lines 11 through 13 and insert:
20 “(3) The provisions of ORS 725.600 to 725.625 do not prevent a lender from recovering amounts
21 associated with the collection of a defaulted loan that are authorized by statute or awarded by a
22 court of law.”.
23 In line 28, delete “shall” and insert “may”.
24 In line 33, delete the first “shall” and insert “may”.
25 In line 44, after “(4)” insert “If the system described in subsection (1) of this section is developed
26 and implemented.”.
27 On page 4, after line 33, insert:
28 “**SECTION 8a.** If House Bill 2204 becomes law, section 8 of this 2007 Act is amended to read:
29 “**Sec. 8.** (1) Sections 4 and 6 of this 2007 Act and the amendments to ORS 725.370 by section 1
30 of this 2007 Act apply to loans made or renewed on or after the operative date specified in section
31 10 of this 2007 Act.
32 “(2) Section 5 of this 2007 Act and the amendments to ORS 725.615 and 725.622 by sections [2]
33 **2a** and 3 of this 2007 Act apply to loans made or renewed on or after the operative date specified
34 in section 11 of this 2007 Act.”.
35 On page 5, after line 2, insert:
36 “**SECTION 11a.** If House Bill 2204 becomes law, section 11 of this 2007 Act is amended to read:
37 “**Sec. 11.** Section 5 of this 2007 Act and the amendments to ORS 725.615 and 725.622 by sections
38 [2] **2a** and 3 of this 2007 Act become operative January 1, 2008.”.
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