

SENATE AMENDMENTS TO A-ENGROSSED HOUSE BILL 2204

By COMMITTEE ON COMMERCE

May 29

- 1 On page 1 of the printed A-engrossed bill, line 2, after “725.340” insert “, 725.600”.
2 After line 4, insert:
3 “**SECTION 1.** ORS 725.600 is amended to read:
4 “725.600. As used in ORS 725.600 to 725.625:
5 “(1) A lender is:
6 “(a) ‘In the business of making title loans’ if at least 10 percent of all loans made by the lender
7 are title loans.
8 “(b) ‘In the business of making payday loans’ if at least 10 percent of all loans made by the
9 lender are payday loans.
10 “(2) ‘Lender’ includes individuals, corporations, associations, firms, partnerships, limited liability
11 companies and joint stock companies. ‘Lender’ does not include a financial institution or trust
12 company, as those terms are defined in ORS 706.008.
13 “(3)(a) ‘Payday loan’ means a loan, other than a purchase money loan:
14 “(A) Made primarily for personal, family or household purposes;
15 “(B) Made for a period of 60 days or less or for which the lender may demand repayment within
16 60 days; and
17 “(C) Usually evidenced by a check or electronic repayment agreement provided by or on behalf
18 of the borrower.
19 “(b) ‘Payday loan’ does not include a loan for a period of more than 60 days, the repayment of
20 which the lender may accelerate upon a default by the borrower.
21 “(4) ‘Title loan’ means:
22 “(a) A loan, other than a purchase money loan, **that is:**
23 “[*(a)*](A) Secured by the title to a motor vehicle, recreational vehicle, boat or mobile home;
24 “(B) Made for a period of 60 days or less[;]
25 “[*(C)*] with a single payment payback; and
26 “[*(D)*] (C) Made by a lender in the business of making title loans; [*or*]
27 “(b) **A loan** that is secured, substantially equivalent to a title loan as defined in paragraph (a)
28 of this subsection, and designated as a title loan by rule or order of the Director of the Department
29 of Consumer and Business Services[.]; **or**
30 “(c) **A sale-leaseback arrangement between a consumer and a purchaser for a motor ve-**
31 **hicle, recreational vehicle, boat or mobile home when:**
32 “(A) **Title and all rights to the vehicle, boat or mobile home do not transfer from the**
33 **consumer to the purchaser in a bona fide sale of the vehicle, boat or mobile home, or the**
34 **consumer retains equity in the vehicle, boat or mobile home following the consumer’s sale**
35 **to the purchaser;**

1 **“(B) The purchaser and the consumer agree within 60 days of the consumer’s sale of the**
2 **vehicle, boat or mobile home to the purchaser that the consumer has an option to or will**
3 **repurchase the vehicle, boat or mobile home from the purchaser for a nominal price or a**
4 **price other than the market value of the vehicle, boat or mobile home determined at the**
5 **time the lease expires;**

6 **“(C) The purchaser or an agent of the purchaser, during the term of any lease of the**
7 **vehicle, boat or mobile home to the consumer, holds a check, electronic repayment agree-**
8 **ment or other evidence provided by or on behalf of the consumer of the consumer’s agree-**
9 **ment to repurchase the vehicle, boat or mobile home; or**

10 **“(D) The director by rule or order designates the sale-leaseback arrangement as a title**
11 **loan.”.**

12 In line 5, delete “1” and insert “2”.

13 On page 2, line 27, delete “2.” and insert “3.”.

14 On page 3, delete lines 38 and 39 and insert:

15 **“SECTION 4. The amendments to ORS 725.600 and 725.615 by sections 1 and 2 of this 2007**
16 **Act apply to title loans that are made, entered into or renewed on or after July 1, 2007.”.**

17 In line 40, delete “4” and insert “5”.