

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 3484 **STATUS:** A Engrossed
SUBJECT: Exchange facilitator requirements.
GOVERNMENT UNIT AFFECTED: Judicial Department, Department of Consumer and Business Services, and Real Estate
PREPARED BY: John Terpening
REVIEWED BY: John Borden, Susie Jordan, and Kim To
DATE: June 4, 2009

EXPENDITURES:

See Analysis

EFFECTIVE DATE: January 1, 2010

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: HB 3484 defines “exchange facilitator” and related terms and requires that exchange facilitators notify clients within 10 business days after a change in control and outlines the manner of notification. The bill directs exchange facilitators to act as custodians for all exchange funds and invest the exchange funds only in bonds or other security investments that meet the amount requirements of the bill. The measure prohibits exchange facilitator’s from making any false statements, or engages in fraud or failure to fulfill contractual duties and allows for a right of action to be taken by persons suffering damage. The measure has a sunset date of January 2, 2014.

The fiscal impact of this measure is indeterminate. There is no state agency that regulates exchange facilitators.

The Judicial Department states that the number of right of action suits that may occur as a result of this measure is indeterminate.

The Department of Consumer and Business Services and Real Estate Agency have no regulatory authority over exchange facilitators and have no fiscal impact.