

## HOUSE AMENDMENTS TO HOUSE BILL 2199

By COMMITTEE ON CONSUMER PROTECTION

May 4

- 1 On page 1 of the printed bill, line 5, after “706.530,” insert “706.580.”
- 2 In line 6, after “723.752,” insert “723.822.”
- 3 On page 26, line 42, after “with” delete the rest of the line and line 43 and insert “the Financial  
4 Crimes Enforcement Network established by order of the United States Secretary of the  
5 Treasury”.
- 6 In line 44, delete “Stat. 272.”
- 7 On page 28, after line 10, insert:
- 8 “**SECTION 30a.** ORS 706.580 is amended to read:
- 9 “706.580. (1) [*When it appears to*] The Director of the Department of Consumer and Business  
10 Services [*that*] **may take an action described in subsection (2) of this section if** a banking in-  
11 stitution or non-Oregon institution:
- 12 “(a) **Conducts business in an unsafe or unauthorized manner;**
- 13 “(b) **Refuses to submit records for inspection by an examiner or by the Department of**  
14 **Consumer and Business Services; or**
- 15 “(c) **Violates a law of this state or the United States or a duly issued order of the direc-**  
16 **tor.** [*is violating any law or duly issued order of the director, is conducting its business in an unsafe*  
17 *or unauthorized manner, or has refused to submit its records for inspection by an examiner or exam-*  
18 *ination by the Department of Consumer and Business Services:*]
- 19 “[*1*] (2) **If the director believes a condition described in subsection (1) of this section**  
20 **exists,** the director may:
- 21 “(a) Notify the appropriate bank supervisory agency, with respect to [*such*] **the** banking insti-  
22 tution or non-Oregon institution, of the director’s determination and the facts and circumstances on  
23 which [*such*] **the** determination is based;
- 24 “(b) Provide the banking institution or non-Oregon institution with a statement of the charges  
25 on the basis of which the **director determined** [*determination was made*] that the banking institu-  
26 tion or non-Oregon institution is violating the law or conducting [*its*] business in an unsafe or un-  
27 authorized manner;
- 28 “(c) Notify the banking institution or non-Oregon institution of the date and place of a hearing  
29 before the director, or [*any*] **a** person designated by the director, with respect to the charges against  
30 the banking institution or non-Oregon institution; and
- 31 “(d) Conduct a hearing pursuant to the notice given to the banking institution or non-Oregon  
32 institution under subsection (1)(c) of this section[,] and make findings with respect to each of the  
33 charges specified in the notice to the banking institution or non-Oregon institution.
- 34 “[*2*] (3) **After a hearing conducted under subsection (2) of this section,** the director may:
- 35 “(a) By an order in writing:

1       “(A) Direct the discontinuance of the illegal, unsafe or unauthorized practices; and  
2       “(B) Direct the banking institution or non-Oregon institution to take affirmative action to cor-  
3       rect or remedy [*any conditions resulting*] **a condition that resulted** from the illegal, unsafe or un-  
4       authorized practice;  
5       “(b) Apply for and obtain an injunction or other appropriate order from a court [*having*] **that**  
6       **has** jurisdiction over the matter[, *enforcing*] **to enforce** the director’s order issued under [*subsection*  
7       (2)(a)] **paragraph (a)** of this [*section*] **subsection**;  
8       “(c) Publish notice of [*any*] **an** order [*issued by*] the director **issued** pursuant to [*subsection*  
9       (2)(a)] **paragraph (a)** of this [*section*] **subsection**; and  
10       “(d) Suspend or revoke the authority of a non-Oregon institution to open, occupy or maintain a  
11       branch or branches in this state.”.  
12       Delete lines 35 through 37 and insert:  
13       “(g) Correspondence, reports or other information obtained from or provided to the Financial  
14       Crimes Enforcement Network established by order of the United States Secretary of the  
15       Treasury.”.  
16       On page 30, delete lines 35 through 45 and delete page 31.  
17       On page 32, delete lines 1 through 9 and insert:  
18       “**NOTE:** Sections 33 through 35 were deleted by amendment. Subsequent sections were not re-  
19       numbered.”.  
20       On page 35, delete lines 12 through 14 and insert:  
21       “(f) Correspondence, reports or other information obtained from or provided to the Financial  
22       Crimes Enforcement Network established by order of the United States Secretary of the  
23       Treasury.”.  
24       On page 36, line 6, after “with” delete the rest of the line and line 7 and insert “the Financial  
25       Crimes Enforcement Network established by order of the United States Secretary of the  
26       Treasury”.  
27       In line 8, delete “107-56, 115 Stat. 272,”.  
28       On page 37, after line 16, insert:  
29       “**SECTION 42a.** ORS 723.822 is amended to read:  
30       “723.822. (1) The Director of the Department of Consumer and Business Services may issue and  
31       serve upon a credit union or a director, officer, committee member, employee or agent of a credit  
32       union an order to cease and desist from a practice or a violation as follows:  
33       “(a) The director may issue an order to cease and desist from an unsafe or unsound practice  
34       when the director has reasonable cause to believe that the person to whom the order is directed is  
35       engaging, has engaged or is about to engage in an unsafe or unsound practice in conducting the  
36       business of the credit union.  
37       “(b) The director may issue an order to cease and desist from a violation when the director has  
38       reasonable cause to believe that the person to whom the order is directed is violating, has violated  
39       or is about to violate a law, [*or*] **rule or regulation of this state or the United States**, an order  
40       of the director or [*any*] **a** provision of the articles of incorporation or bylaws of the credit union.  
41       “(2) An order under subsection (1) of this section [*shall*] **must** include the following:  
42       “(a) A statement of the facts [*constituting*] **that constitute** the practice or violation.  
43       “(b) A provision [*requiring*] **that requires** the person named in the order to cease and desist  
44       from the practice or violation. The provision may be mandatory or otherwise.  
45       “(c) The effective date of the order.

1 “(d) A notice to the person named in the order of the right to a contested case hearing under  
2 ORS chapter 183.

3 “(3) [*When*] **If** the practice or violation specified in the order or the continuation of the practice  
4 or violation is likely to prejudice the interest of the members of a credit union, the director may  
5 issue an order effective immediately or at a later date. In all other cases, the order [*shall be*] **is ef-**  
6 **fective 30 days after the date of the order unless the person named in the order requests a hearing**  
7 [*thereon*] **on the order.**

8 “(4) An order under this section remains in effect until [*it*] **a court order or the director**  
9 **withdraws the order** [*is withdrawn by the director or by a court order*].

10 “(5) If an individual named in an order under this section fails to comply with the order, the  
11 director may issue an order [*removing or suspending*] **that removes or suspends** the individual  
12 from the office or position [*held by*] the individual **holds**. The removal or suspension is in addition  
13 to any penalty provided by ORS 723.995 for failure to comply with an order issued under this sec-  
14 tion.”.

15 On page 39, line 7, after “discount” delete the rest of the line and line 8 and insert “window  
16 primary credit rate”.

17 In line 9, delete “cludes Oregon”.

18 On page 42, line 4, delete “Sections 34 and 35 of this 2009 Act.”.

19 In line 7, after “706.530,” insert “706.580,”.

20 In line 8, after “723.752,” insert “723.822,”.

21 In line 14, delete “sections 34 and 35 of this 2009 Act,”.

22 In line 17, after “706.530,” insert “706.580,”.

23 In line 18, after “723.752,” insert “723.822,”.

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