

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	6 - 3 - 1
Yeas:	Edwards, Garrett, Gelser, Nolan, Read, Roblan
Nays:	Berger, Garrard, Hanna
Exc.:	Jenson
Prepared By:	Cheyenne Ross, Administrator
Meeting Dates:	2/15, 2/16

WHAT THE MEASURE DOES: Includes loans and extensions of credit in definition of “real estate, goods or services” for purposes of the Unlawful Trade Practices Act (UTPA). Adds mortgage bankers, mortgage brokers, loan originators, pawnbrokers, and persons prohibited from making certain consumer loans in course of business without license to definition of “state-regulated lender.” Narrows scope of conduct by state-regulated lenders to be acted on by Department of Justice at request of Department of Consumer and Business Services to that involving loans or extensions of credit. Declares emergency, takes effect on passage.

ISSUES DISCUSSED:

- Omission of financial products from definition of “real estate, goods or services”
- Enforcement gap between Oregon’s Department of Consumer and Business Services (DCBS) and Department of Justice (DOJ)
- DCBS has regulatory authority over state-chartered banks, not federally-chartered
- Bill would allow UTPA to be enforced by DOJ against entities not under DCBS authority, at DCBS request
- Avoiding duplication of authority

EFFECT OF COMMITTEE AMENDMENT: Adds mortgage bankers, mortgage brokers, loan originators, pawnbrokers, and persons prohibited from making certain consumer loans in the course of business without a license to definition of “state-regulated lender.” Narrows scope of conduct by state-regulated lenders to be acted on by DOJ at the request of DCBS to that involving loans or extensions of credit.

BACKGROUND: The Unlawful Trade Practices Act (ORS 646.605 to 646.656) is Oregon’s primary consumer protection law. It is designed to protect consumers from businesses that, among other things, fail to deliver all or a portion of goods or serves as promised, cause a likelihood of confusion or misunderstanding about products or services, use deceptive representations or designations, represent goods as meeting standards they do not, and making false or misleading representations about products or services.