

REVENUE: No revenue impact  
FISCAL: Minimal fiscal impact, no statement issued

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Action: Do Pass  
Vote: 9 - 0 - 0  
Yeas: Gilliam, Krieger, Matthews, Riley, Smith J., Tomei, Whisnant, Wingard, Holvey  
Nays: 0  
Exc.: 0  
Prepared By: Patrick Brennan, Administrator  
Meeting Dates: 2/18

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**WHAT THE MEASURE DOES:** Relocates and reorganizes provisions relating to payday and title lenders that: prescribe regulations for payday and title lenders; require payday and title lenders to be licensed to conduct business in Oregon; give Director of Department of Consumer and Business Services rulemaking authority over licensee activity; gives director authority to investigate licensee compliance with license requirements; set allowable rate of interest for payday and title loans; allow director to assess civil penalty for violation of provisions. Declares an emergency and takes effect on passage.

**ISSUES DISCUSSED:**

- History of regulation of payday and title lenders in Oregon
- Need for revising and relocating the statutes

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Statutes regulating payday and title lenders in Oregon are currently codified in ORS Chapter 725, which governs consumer finance generally. Payday and title loans are small, short-term loans intended to cover a borrower's expenses. Payday loans are sometimes referred to as "cash advances," often paid off by the borrower at the borrower's next payday. Title loans involve borrowers using the value of their vehicle, boat or mobile home title as collateral.

Current law and Senate Bill 993 are substantively similar. Senate Bill 993, however, moves and reorganizes current law relating to payday lenders and title lenders, separating payday and title lending provisions from those relating to traditional finance companies.