

**76TH OREGON LEGISLATIVE ASSEMBLY  
STAFF MEASURE SUMMARY  
HOUSE REVENUE COMMITTEE**

**MEASURE: 2519 A  
CARRIER:**

**REVENUE: No Revenue Impact  
FISCAL: Fiscal Statement Issued**

---

**Action:** Do Pass with Amendments, be printed Engrossed, and be referred to Ways and Means by Prior Reference  
**Vote:** 8-0-0  
**Yeas:** Bailey, Bentz, Brewer, Gelser, Read, Wand, Barnhart, Berger  
**Nays:** 0  
**Exc.:** 0

**Prepared By:** Mazen Malik, Economist  
**Meeting Dates:** 5/9, 5/18, 5/25

---

**WHAT THE BILL DOES:** Aligns State Treasurer's regulatory statutes regarding credit unions holding public deposits. Establishes the Oregon Economic Development Finance Authority.

**ISSUES DISCUSSED:**

- Funds included within the detentions of public deposits.
- The credit unions and banks reaction to the new language and requirements.
- Investments, oversight of funds, and encouraging those Oregon specific investments.
- Out of the box, No new fees, mandates or duplications.
- More visible and available funds for economic development.

**EFFECT OF COMMITTEE AMENDMENTS:** The amendment replaces the bill. It changes section 13 of Chapter 101 (Oregon Laws 2010) to address both the initial and ongoing funding of a public funds collateralization program for credit union depositories. Specifies that once the conditions have been satisfied the State Treasurer will have 180 days to implement the credit union public funds collateralization program. Specifies that a bank depository that has been granted a 90-day grace period to correct their noncompliance, shall cease accepting deposits of uninsured public funds within three business days of receiving notice from the State Treasurer. Upon notification, public officials will be required to withdraw all uninsured public funds that exceed the limits specified within section (1d) from the depository within 15 days.

The amendment also establishes the Oregon Economic Development Finance Authority. Defines the executive makeup of the authority and its duties, and defines the membership and makeup of the advisory board and its duties and authorities.

**BACKGROUND:**

Adds language to ORS 295.048, as amended by section 16 of Chapter 101 (Oregon Laws 2010), to state that a credit union depository that has been granted a 90-day grace period in which to correct their noncompliance with the requirements of ORS 295.048(1), and has failed to do so within this time period,

The '-3' includes two main pieces, the first one is the original '-1' amendment dealing with the credit unions and public deposits cleanup, and the second one deals with the creation of the Oregon Economic Development Finance Authority. The Finance Authority language is similar to the language in "-11" amendment of HB 3452.

---

**State Capitol Building  
900 Court St NE, Room 143  
Salem, OR 97301-1347**

**Phone: 503-986-1266  
Fax: 503-986-1770  
<http://www.leg.state.or.us>**