

House Bill 2561

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim Committee on Revenue)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs public officials to deposit public funds in certain community banks. Directs public officials, to extent practicable, to transfer deposited public funds to community banks not later than January 1, 2013.

A BILL FOR AN ACT

1
2 Relating to financial institutions.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2011 Act is added to and made a part of ORS 295.001 to**
5 **295.108.**

6 **SECTION 2. (1) A public official shall deposit public funds with a community bank if:**

7 (a) **The community bank is a depository that complies with ORS 295.008; and**

8 (b) **The cost to the public official for the community bank to provide banking services,**
9 **when multiplied by a factor of 0.9, is lower than the cost for a depository that is not a**
10 **community bank to provide the same banking services.**

11 (2) **As used in this section, "community bank" means:**

12 (a) **An insured institution that is organized under the provisions of ORS chapter 707 and**
13 **has its principal place of business in this state;**

14 (b) **An insured institution that maintains a head office or branch in this state and has**
15 **assets of less than \$10 billion;**

16 (c) **A credit union as defined in ORS 723.006 that has its principal place of business in this**
17 **state;**

18 (d) **An interstate credit union as defined in ORS 723.001 that is chartered under ORS**
19 **chapter 723 and has its principal place of business in this state;**

20 (e) **An interstate credit union as defined in ORS 723.001 that is chartered under the au-**
21 **thority of the laws of another state, has its principal place of business in this state and has**
22 **assets of less than \$10 billion; or**

23 (f) **A federal credit union that has its principal place of business in this state and has**
24 **assets of less than \$10 billion.**

25 **SECTION 3. To the extent practicable, not later than January 1, 2013, a public official**
26 **that has deposited public funds in a depository qualified under ORS 295.001 to 295.108 shall**
27 **transfer the public funds to a community bank as defined in section 2 of this 2011 Act in**
28 **accordance with section 2 of this 2011 Act.**
29

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.