

# Senate Bill 12

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## 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**.

Modifies operative date of provisions allowing credit unions to act as depositories of public funds on basis similar to that of bank depositories.

Specifies that provisions become operative if credit union depositories satisfy conditions not later than June 30, 2013. Sets operative date of January 1, 2014, if conditions are satisfied.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to operative date of provisions allowing credit union depositories to act as depositories of  
3 public funds; creating new provisions; amending sections 13a, 29 and 30, chapter 101, Oregon  
4 Laws 2010; and declaring an emergency.

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

6 **SECTION 1. Section 2 of this 2011 Act is added to and made a part of ORS 295.001 to**  
7 **295.108.**

8 **SECTION 2. (1) Sections 12, 13b and 30, chapter 101, Oregon Laws 2010, the amendments**  
9 **to ORS 295.001, 295.002, 295.004, 295.006, 295.008, 295.013, 295.015, 295.018, 295.031, 295.034,**  
10 **295.041, 295.046, 295.048, 295.053, 295.061, 295.071, 295.073, 295.081, 295.084, 295.091, 295.108,**  
11 **295.205, 576.375 and 711.410 by sections 1 to 10, 14 to 23 and 25 to 28, chapter 101, Oregon Laws**  
12 **2010, and the amendments to section 13a, chapter 101, Oregon Laws 2010, by section 3 of this**  
13 **2011 Act become operative only if, not later than June 30, 2013:**

14 (a) **The State Treasurer has received from at least five credit unions the certifications**  
15 **and pledge agreements necessary to qualify the credit unions as credit union depositories;**

16 (b) **For each credit union described in paragraph (a) of this subsection, the State Treas-**  
17 **urer has received a signed statement from a public official that indicates that the public of-**  
18 **ficial intends to deposit more than \$250,000 of public funds with the credit union if the credit**  
19 **union qualifies as a credit union depository; and**

20 (c) **The State Treasurer receives moneys under the provisions of section 13, chapter 101,**  
21 **Oregon Laws 2010, or ORS 295.106 that are sufficient to pay for one year the State**  
22 **Treasurer's initial expenses related to the administration of section 12, chapter 101, Oregon**  
23 **Laws 2010.**

24 (2) **The State Treasurer shall notify the Legislative Counsel and the Legislative Fiscal**  
25 **Officer not later than five business days after the date the State Treasurer determines that**  
26 **the conditions described in subsection (1) of this section have been satisfied.**

27 **SECTION 3. Section 13a, chapter 101, Oregon Laws 2010, is amended to read:**

28 **Sec. 13a.** *[(1) The State Treasurer may decline to accept from a credit union the certification and*

**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.

1 *pledge agreement necessary to qualify the credit union as a credit union depository under ORS 295.008*  
 2 *unless:]*

3 *[(a) At the time the credit union submits the certification and pledge agreement, at least four other*  
 4 *credit unions have each submitted:]*

5 *[(A) A certification and pledge agreement necessary to qualify as a credit union depository under*  
 6 *ORS 295.008; and]*

7 *[(B) A signed statement from a public official that indicates that the public official intends to de-*  
 8 *posit more than \$250,000 of public funds with the credit union if the credit union qualifies as a credit*  
 9 *union depository; and]*

10 *[(b) The State Treasurer receives moneys under the provisions of section 13 of this 2010 Act or*  
 11 *ORS 295.106 that are sufficient to pay for one year the State Treasurer's initial or continuing expenses*  
 12 *related to administering section 12 of this 2010 Act.]*

13 *[(2)(a)] (1) The State Treasurer may withdraw from a pledge agreement that the State Treasurer*  
 14 *previously accepted from a credit union under ORS 295.008 if fewer than five credit unions are*  
 15 *qualified as credit union depositories under ORS 295.001 to 295.108 during any period of 180 days*  
 16 *or longer.*

17 *[(b)] (2) Except as provided in ORS 295.008 (4), a credit union that is a party to a pledge*  
 18 *agreement from which the State Treasurer withdraws in accordance with [paragraph (a) of this*  
 19 *subsection does not qualify] subsection (1) of this section no longer qualifies as a credit union*  
 20 *depository under ORS 295.001 to 295.108. Within 10 business days after the State Treasurer notifies*  
 21 *the credit union that the State Treasurer has withdrawn from the pledge agreement, the credit union*  
 22 *shall return all uninsured public funds deposits that the credit union holds to the public official that*  
 23 *deposited the public funds.*

24 **SECTION 4.** Section 29, chapter 101, Oregon Laws 2010, is amended to read:

25 **Sec. 29.** (1) Sections 12, [13, 13a and] 13b and 30, chapter 101, Oregon Laws 2010, [of this 2010  
 26 Act and] the amendments to ORS 295.001, 295.002, 295.004, 295.006, 295.008, 295.013, 295.015, 295.018,  
 27 295.031, 295.034, 295.041, 295.046, 295.048, 295.053, 295.061, 295.071, 295.073, 295.081, 295.084, 295.091,  
 28 295.108, 295.205, 576.375 and 711.410 by sections 1 to 10, 14 to 23 and 25 to 28, chapter 101, Oregon  
 29 Laws 2010, and the amendments to section 13a, chapter 101, Oregon Laws 2010, by section 3  
 30 of this 2011 Act [of this 2010 Act] become operative [January 1, 2013.] **January 1, 2014, if the**  
 31 **Legislative Counsel and the Legislative Fiscal Officer receive notice from the State Treasurer**  
 32 **pursuant to section 2 of this 2011 Act that the conditions described in section 2 of this 2011**  
 33 **Act have been satisfied.**

34 **(2) Section 2 of this 2011 Act and section 13, chapter 101, Oregon Laws 2010, become op-**  
 35 **erative January 1, 2013.**

36 *[(2)] (3) The State Treasurer and the Director of the Department of Consumer and Business*  
 37 *Services may take any action before [January 1, 2013,] the operative dates specified in sub-*  
 38 *sections (1) and (2) of this section that is necessary to enable the State Treasurer and the director*  
 39 *to exercise, on and after [January 1, 2013] the operative dates specified in subsections (1) and*  
 40 *(2) of this section, all the duties, functions and powers conferred on the State Treasurer and the*  
 41 *director by sections 12, 13[, 13a] and 13b, chapter 101, Oregon Laws 2010, [of this 2010 Act and]*  
 42 *the amendments to ORS 295.001, 295.002, 295.004, 295.006, 295.008, 295.013, 295.015, 295.018, 295.031,*  
 43 *295.034, 295.041, 295.046, 295.048, 295.053, 295.061, 295.071, 295.073, 295.081, 295.084, 295.091, 295.108,*  
 44 *295.205, 576.375 and 711.410 by sections 1 to 10, 14 to 23 and 25 to 28 [of this 2010 Act], chapter*  
 45 **101, Oregon Laws 2010, section 2 of this 2011 Act and the amendments to section 13a, chapter**

1 **101, Oregon Laws 2010, by section 3 of this 2011 Act.**

2 **SECTION 5.** Section 30, chapter 101, Oregon Laws 2010, is amended to read:

3 **Sec. 30.** Sections 12[, 13, 13a] and 13b, **chapter 101, Oregon Laws 2010**, [*of this 2010 Act and*]  
4 the amendments to ORS 295.001, 295.002, 295.004, 295.006, 295.008, 295.013, 295.015, 295.018, 295.031,  
5 295.034, 295.041, 295.046, 295.048, 295.053, 295.061, 295.071, 295.073, 295.081, 295.084, 295.091, 295.108,  
6 295.205, 576.375 and 711.410 by sections 1 to 10, 14 to 23 and 25 to 28 [*of this 2010 Act*], **chapter**  
7 **101, Oregon Laws 2010, and the amendments to section 13a, chapter 101, Oregon Laws 2010,**  
8 **by section 3 of this 2011 Act** apply to public funds on deposit on or after [*January 1, 2013*] **the**  
9 **operative date specified in section 29 (1), chapter 101, Oregon Laws 2010, as amended by**  
10 **section 4 of this 2011 Act.**

11 **SECTION 6.** **This 2011 Act being necessary for the immediate preservation of the public**  
12 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**  
13 **on its passage.**