

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	9 - 0 - 1
Yeas:	Fagan, Holvey, Kennemer, Matthews, Thatcher, Thompson, Weidner, Witt, Doherty
Nays:	0
Exc.:	Barton
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	2/13, 2/20

WHAT THE MEASURE DOES: Clarifies respective applications of Uniform Commercial Code and federal Electronic Funds Transfer Act to remittance transfers. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Importance to users of remittance transfers
- Need for emergency clause

EFFECT OF COMMITTEE AMENDMENT: Adds emergency clause.

BACKGROUND: The Uniform Commercial Code (UCC) and the federal Electronic Funds Transfer Act (EFTA) govern wire transfers. The UCC generally covers wire transfers entirely between businesses, or other wire transfers not covered by federal law, whereas the EFTA generally covers wire transfers that debit or credit a consumer's account. Oregon's enactment of Article 4A of the Uniform Commercial Code (UCC) is codified in ORS 74A.

The Dodd-Frank Wall Street Reform and Consumer Protection Act amended the federal EFTA in a manner that impacts the scope of the UCC Article 4A. The amendment had a delayed effective date in February 2013 to allow states to make appropriate statutory changes.

House Bill 2590-A clarifies that the UCC will continue to cover the basic allocation of rights and responsibilities for remittance transfers, even though disclosure and other requirements affecting remittance transfers will be covered by the federal EFTA. Remittance transfers are basically wire transfers from the United States to overseas that are sent through a person in the business of providing such transfers. If Oregon statute does not reflect the federal amendment to the EFTA, then neither the federal EFTA nor the UCC Article 4A will apply to the basic allocation of rights and responsibilities for overseas remittance transfers.