

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass the A-Engrossed Measure
Vote:	6 - 0 - 0
Yeas:	Edwards, Girod, Monroe, Starr, Thomsen, Beyer
Nays:	0
Exc.:	0
Prepared By:	Patrick Brennan, Administrator
Meeting Dates:	3/19

WHAT THE MEASURE DOES: Clarifies respective applications of the Uniform Commercial Code and the federal Electronic Fund Transfer Act to certain fund transfers.

ISSUES DISCUSSED:

- Ensures that all transactions are covered by state or federal law
- Aligns state law with recent changes to federal law

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: ORS Chapter 74A is the Oregon codification of Article 4A of the Uniform Commercial Code (UCC). The chapter governs electronic transfers of bank balances from payors to payees, also known as wire transfers. All 50 states and the District of Columbia have enacted Article 4A (Oregon enacted it in 1991), which applies to over \$1 trillion in wire transfers every day throughout the United States.

House Bill 2590-A amends ORS 74A.1080 to address a recent expansion of the federal law. Currently, there is a distinction between wire transfers covered by state law and those covered by federal law. The expansion of the federal law, however, provides for some of the rules related to a type of transaction called a remittance transfer. The federal law now specifies that such transactions must include disclosure of fees, conversion rates and other information to the person sending the remittance transfer.

House Bill 2590-A amends Oregon statute to ensure that the requirements for remittance transfers not covered by changes to federal law will continue to be regulated by state law.