



Testimony in Support HB2637, -2 Amendment  
House Consumer Protection and Government Effectiveness Committee  
Submitted on March 26, 2015  
Submitted by Pam Leavitt, Northwest Credit Union Association

Credit unions are not-for-profit financial cooperatives, organized to meet the needs of their members. They are democratically owned and controlled institutions, based on the “people helping people” principle. With more than 1.63 million members, Oregon credit unions strive to preserve a legislative climate that recognizes their unique structure and mission.

Support for -2 Amendment to HB2637

We appreciate the opportunity to work with Rep. Lively on HB2637. We support the bill with -2 amendment. We believe the bill with the -2 amendment addresses the specific problem of deceptive mortgage advertising intended to mislead consumers into thinking an offer is sponsored or approved by their current lender or a government agency. The bill also avoids potential conflicts (in the bill as originally proposed) with required disclosures under federal consumer protection rules.

The amendment:

- Deletes the definition of “commercial communication” and replace it with a definition of “advertisement” that matches the Reg. Z definition but is limited to real estate loan products (this avoids questions about whether some types of communications, discussions, or disclosures of actual loan transactions in process would be covered);
- Changes the definition of “consumer” to reflect that a consumer is any natural person (for simplicity’s sake);
- Deletes Sections 2 and 3 of the bill in their entirety; and replaces them with a prohibition on intentionally omitting the identity of the person offering the credit product in an advertisement or making a misrepresentation as to whether the credit is approved by, or offered in connection with any person other than the creditor promoting the product unless the person sending the advertisement has written consent from the party purportedly approving or co-sponsoring an offer (this is the specific issue we understand the bill was aimed at); and
- Changes the record retention requirement to simply retain copies of advertisements including scripts and training material for any oral advertisements.

Thank you for the opportunity to provide this testimony.