

**PROPOSED AMENDMENTS TO
HOUSE BILL 2897**

1 On page 1 of the printed bill, delete lines 5 and 6 and insert:

2 “(a) ‘Financial institution’ means a bank, a commercial bank, a national
3 bank, a savings bank, a savings and loan association, a credit union or other
4 similar entity authorized to do business in this state.”.

5 In line 14, delete “credit unions” and insert “financial institutions”.

6 In line 19, delete “credit”.

7 In line 20, delete “unions” and insert “financial institutions”.

8 In line 22, delete “credit unions” and insert “financial institutions”.

9 In line 25, delete “credit union” and insert “financial institution”.

10 In line 28, delete “credit union” and insert “financial institution”.

11 Delete line 29.

12 On page 2, delete lines 1 through 9 and insert:

13 “(5) When the department approves a loan or credit guarantee, the de-
14 partment shall enter into a loan or credit guarantee agreement with the fi-
15 nancial institution. The agreement shall specify:

16 “(a) The fee to be charged to the financial institution, if any;

17 “(b) The evidence of debt assurance of, and security for, the loan or credit
18 guarantee;

19 “(c) A loan or credit guarantee that does not exceed 15 years;

20 “(d) That amounts that become due and payable, including interest, under
21 the agreement are payable solely from amounts available in the Veterans
22 Refinancing and Reintegration Services Fund established in section 2 of this

1 2015 Act;

2 “(e) That amounts due and payable under the agreement shall not con-
3 stitute a debt of the state or a lending of the credit of the state within the
4 meaning of any constitutional or statutory limitation, although nothing in
5 this section or in the terms of an agreement entered into pursuant to this
6 section is intended to impair the rights of financial institutions to exercise
7 any rights granted to a financial institution against the security for the loan
8 or credit guarantee; and

9 (f) Such other terms and conditions considered necessary or desirable by
10 the department.

11 “(6) The department may not pay amounts due under a loan or credit
12 guarantee agreement from any source other than available funds in the
13 Veterans Refinancing and Reintegration Services Fund established in section
14 2 of this 2015 Act. If there are insufficient available funds to pay amounts
15 due under a loan or credit guarantee agreement, the financial institution
16 may exercise any rights granted to the financial institution in the agreement
17 against the security for the loan or credit guarantee and may apply amounts
18 so received toward payments due under the agreement.

19 “(7) The department, with due regard for the possibility of losses and ad-
20 ministrative costs, shall set fees and other terms at levels sufficient to rea-
21 sonably assure that the program is self-financing.”.

22 After line 32, insert:

23 **“SECTION 3. The Oregon Department of Administrative Services**
24 **shall include in the Governor’s budget request to the Legislative As-**
25 **sembly for each fiscal period amounts sufficient to permit the payment**
26 **of all amounts which will be due on unpaid loan and credit guarantees**
27 **under section 1 of this 2015 Act during that fiscal period.”.**

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