

House Bill 2624

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Judiciary)

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**.

Exempts out-of-state banks, extranational institutions and foreign associations from requirement to file notice before dealing in notes secured by mortgages or trust deeds, if authorized to conduct banking business in this state by certificate of Department of Consumer and Business Services.

A BILL FOR AN ACT

1
2 Relating to foreign financial institutions; amending ORS 713.300.

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

4 **SECTION 1.** ORS 713.300 is amended to read:

5 713.300. (1) For purposes of this section, "foreign association" means a corporation organized to
6 transact savings and loan business under federal law or under the laws of another state or territory
7 of the United States, the home state or territory of which is a state or territory other than Oregon.

8 (2) Subject to subsection (3) of this section, an out-of-state bank, extranational institution or
9 foreign association, without being authorized to transact banking business or savings and loan
10 business in this state, may take, acquire, hold and enforce notes secured by mortgages or trust deeds
11 and make commitments to purchase the notes. The out-of-state bank, extranational institution or
12 foreign association may foreclose the mortgages or trust deeds in the courts of this state, acquire
13 the mortgaged property, hold, own and operate the property for a period not exceeding five years
14 and dispose of the property. The activities that this subsection authorizes an out-of-state bank,
15 extranational institution or foreign association to engage in do not constitute transacting business
16 in this state for the purposes of ORS chapter 60.

17 (3) Before an out-of-state bank, extranational institution or foreign association engages in an
18 activity described in subsection (2) of this section, the out-of-state bank, extranational institution
19 or foreign association shall first file with the Department of Consumer and Business Services a no-
20 tice that states that the out-of-state bank, extranational institution or foreign association intends to
21 engage in one or more of the activities described in subsection (2) of this section. The out-of-state
22 bank, extranational institution or foreign association shall pay an initial filing fee of \$200 and an
23 annual fee of \$200. The notice must include the address of the principal place of business of the
24 out-of-state bank, extranational institution or foreign association.

25 (4) An out-of-state bank, extranational institution or foreign association **that is authorized to**
26 **transact banking business in this state under ORS 713.160 need not comply with subsection**
27 **(3) of this section.***[may take, acquire, hold and enforce notes secured by mortgages or trust deeds,*
28 *make commitments to purchase the notes and participate with other lenders authorized to do business*
29 *in this state in making loans for which the notes are executed and delivered.]*

30 (5) An out-of-state bank, extranational institution or foreign association that indirectly engages

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 in the activities described in subsection (2) of this section because of a beneficial interest in a pool
2 of notes secured by mortgages or trust deeds need not comply with subsection (3) of this section.
3 _____