

Testimony in Support of HB2390  
Submitted by: Pamela Leavitt, Northwest Credit Union Association  
May 16, 2019

Chair Nathanson and members of the committee, I am Pam Leavitt and I represent the 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, governed by its members. Oregon's 59 credit unions serve over 2 million members – your constituents. Credit unions provide the financial services consumer need and want – home loans, car loans, business loans, savings and checking accounts, financial counseling and financial education programs.

We would like to express our support for HB2390, a bill to update the public funds laws. We appreciate the opportunity to work with the Treasurer's office at each phase of the development of this bill. Our comments on the legislation were incorporated in the –A2 amendment.

In 2010, legislation was passed that allowed the creation of the credit union collateralization program. On April 1, 2013, the program was officially launched and credit unions that entered the collateralization pool were able to hold public funds over the federal deposit insurance limit. HB2390 maintains this strong program.

- The bill continues to allow Oregon credit unions to accept unlimited public funds. This allows cities, schools, and other public goods to put their money in institutions that reinvest in the communities they serve.
- The bill retains the collateralization requirements for qualified public depositories that accept amounts over the National Share Insurance limits, ensuring that public funds are deposited in a safe and sound manner.
- There are currently 13 credit unions that are participating as qualified public depositories across the state of Oregon and this bill will continue to allow credit unions to expand their programs or allow for new entrants to the pool of qualified depositories.

Thank you.