

HB 2426 STAFF MEASURE SUMMARY
Senate Committee On Business and General Government

Carrier: Sen. Olsen

Action Date: 04/16/19
Action: Do pass.
Vote: 5-0-0-0
Yeas: 5 - Dembrow, Girod, Hass, Olsen, Riley
Fiscal: No fiscal impact
Revenue: No revenue impact
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Meeting Dates: 4/16

WHAT THE MEASURE DOES:

Makes changes to Oregon Credit Union Act. Allows credit union to prescribe terms of executive officers in bylaws. Changes threshold date to January 1, 2019, from January 1, 2017, for exercise by state credit union of powers available to federal credit unions without approval of Department of Consumer and Business Services. Removes requirement that bylaws provide location of certain member meetings.

ISSUES DISCUSSED:

- Biennial update to ensure state credit unions maintain parity with federal credit unions
- Department of Consumer and Business Services oversight of credit union bylaws
- Benefits to allowing members to attend meetings remotely

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Credit unions are not-for-profit financial cooperatives that return benefits to their members in the form of lower fees, higher interest rates on savings and checking accounts, and lower interest rates on loans. Credit union members elect directors and officials who establish the operational policies of the institution. Credit unions can have either a federal or state charter.

House Bill 2426 modifies the Oregon Credit Union Act affecting terms of executive officers, exercise of powers granted to federal credit unions, and meeting location requirements.