

CREDIT UNIONS

August 25, 2025

Testimony Presented to the Joint Interim Committee on Transportation Funding on behalf of GoWest Credit Union Association and Oregon Credit Unions.

Oregon credit unions thank you for your service to our state. There are many difficult decisions you have to make, and we always appreciate your accessibility to our position on policy issues.

I wanted to make you aware of an issue that came from one of our members in rural Oregon, Old West Federal Credit Union, located in John Day, OR. The majority of their credit union members in their eight-county service area are low-income. Additionally, these counties have some of the highest unemployment rates in the state.

Credit unions are always looking for ways to support our members through affordable financial products, financial education, community-focused programs, supporting small businesses, accessibility and flexibility, partnering with local organizations, and personal service. An important way we can help our members is by refinancing loans they receive from other organizations, giving them a lower interest rate and payment.

Please see this background from Ken Olson, President/CEO of Old West FCU:

"One of the more popular products Old West offers is to refinance members out of predatory indirect auto loans, help them pay off high interest credit card and other debt, along with free financial counseling. We offer some of the lowest fees and best dividend rates in the country. When Old West refinances another financial institution's loan, the member pays the Oregon Department of Motor Vehicles (DMV) to transfer that title lien from the other institution to Old West. I was alarmed to learn that those fees may increase by as much as 180%. A few hundred dollars may not seem like a lot, but at a time when Eastern Oregon families are trying to make every dollar count, \$200+ is a significant budget item."

We are concerned about the disproportionately high costs associated with transferring a vehicle title that has a lien in the State of Oregon. When individuals seek to transfer ownership of a vehicle or clear a lien from the title, the fees charged should reasonably reflect the actual administrative work required. For most residents, a title transfer is not a luxury but a necessary part of buying or selling a vehicle to save money on their monthly cost. This is especially frustrating for individuals who have already met their financial obligation should not be penalized further simply for finalizing paperwork with the state.

As you review legislation to reform several DMV fees, we are asking that you review this specific request: If an individual already has a title through the DMV and have just refinanced to get a better interest rate, can we carve out of the bill the requirement to pay for a new title since it is a simple transfer of ownership? We realize this is a very specific ask, but we believe it would help those low-income Oregonians in need of reducing their monthly bills.

Thank you for your consideration of this matter.

Respectfully,

Pam Leavitt

Sr. Vice President of Regional Grassroots and Political Programs/Legislative Affairs for Oregon