



Testimony in Support of HB2425 & HB2411
House Business and Labor Committee
Submitted by Pam Leavitt, Northwest Credit Union Association

Chair Barker and members of the Committee, I am pleased to appear before you in support of two pieces of legislation brought to you by the Northwest Credit Union Association, HB2425 and HB2411.

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.

HB2425 – This bill allows county clerks to record electronic record or record bearing electronic signatures. This would give lenders, title insurers, and county recording office the assurance that electronically signed documents can be record as long a they satisfy all applicable recording requirements. Today, almost any consumer with access to the internet can use technology that allows them to access, sign, and submit mortgage closing documents online (“E-Closing”). E-Closing offers a variety of benefits for consumers such as:

- Ability to execute documents at their convenience rather than taking time away from work to visit a title company or lender’s office;
- More time to review loan documents and disclosures; and
- For borrowers in isolated rural areas, E-Closing avoids the need to travel long distances to a title company or lender office.

HB2411 – This bill allows financial institutions, after obtaining person’s permission, to swipe person’s driver license or identification card for purpose of establishing or maintaining contract or account. This change will allow financial institutions to scan using a barcode reader and not just copy a member’ government identification, often a driver’s license into account or loan documents.

HB2425 and HB2411 has been reviewed and supported by credit unions across the State and by our Association. We also reviewed the proposals with our Regulator at the Division of Finance and Corporate Securities, and we are not aware of any opposition to this bill. We are currently working with the Department of Justice on an amendment to HB2411.

In OLIS, you will see a letter in support from the United Financial Lobby (UFL) on HB2425. UFL includes the Oregon Mortgage Bankers Association, the Oregon Bankers Association, the Northwest Credit Union Association, and the Oregon Financial Services Association. HB2411 is also supported by this group.

Thank you for the opportunity to speak to you today, and for your consideration of this bill.