



Service Employees International Union – Oregon State Council
6401 SE Foster ▪ Portland, OR 97206

February 5, 2021

Chair Holvey, Members of the Committee,

Thank you for the opportunity to submit testimony in support of House Bill 2356 to prohibit state-chartered banks and credit unions in Oregon from charging fees to nonmembers to cash checks issued from those financial institutions.

My name is Alberto Gallegos and I am a political organizer with the Service Employees International Union (SEIU), Oregon State Council. SEIU Oregon is composed of SEIU Local 503 and SEIU Local 49, which together represent over 85,000 people. Local 49 represents private sector janitors, property service workers, light manufacturing, and healthcare workers; while Local 503 represents homecare workers, private nonprofit workers, in-home child care providers, nursing home workers, and state and local government employees.

A substantial amount of our members are low-wage earners who face the daily struggle to provide a better life for themselves and their loved ones. Due to socio-economic circumstances, low-income families may find themselves un/underbanked; which means that they must pay fees when cashing their checks. In Oregon, these fees generally range from \$3-\$8 per check at most financial institutions. If they decide to go to other check-cashing businesses that aren't banks or credit unions, then they are looking at the following fees: \$5 or 2% (whichever is greater) for government checks, \$5 or 3% (whichever is greater) for payroll checks, and \$5 or 10% (whichever is greater) for all other checks.

At a mere glance, \$3-\$8 per check does not seem like much. However, to those already struggling to make ends meet, \$3-\$8 per check can be the deciding factor on whether or not they will be able to have food on the table, running water, or working electricity. These fees add yet another obstacle that must be overcome by exacerbating the dire financial situation that low-income families already face. Passing HB 2356 would be a great benefit to un/underbanked Oregonians by protecting them from cash-checking fees which would help them save valuable money that they depend on to live. Please stand in unity with our members by supporting House Bill 2356.

On behalf of our members, I want to thank the committee and the sponsors of HB 2356 for giving this legislation due consideration in service to your constituencies and all Oregonians.

Thank you,

Alberto Gallegos
Political and Government Relations Organizer
SEIU, Oregon State Council