

OREGON

CREDIT UNIONS

April 6, 2023

Senate Labor & Business Committee

Chairs Taylor, Vice Chair Bonham and Members of the Committee, thank you for the opportunity to provide comments in support of HB3200A.

2.3 million Oregonians trust credit unions as their preferred financial services partners. Credit unions' not-for-profit, cooperative structure inherently holds them accountable to the members they serve. They look out for members' financial well-being by providing financial education, loans to first-time homebuyers, support for rural communities, and more. Caring for the community is in credit unions' DNA. You'll find them supporting non-profits, contributing to charities, and volunteering in their communities.

HB3200 comes from Oregon's credit unions who review the Oregon Credit Union Act every two years for needed updates and changes to keep up with the ever-changing financial marketplace. The bill has four changes:

- Governance: Adding Fiscal year Flexibility.
- Governance: Adding Board Officer Election Flexibility.
- Service to the Credit Union: Allowing CU Board Service compensation.
- Investments: Modernizing the allowable Investments by Credit Unions.

Background on Oregon's Credit Unions: A 2022 independent analysis performed by renowned economists at ECONorthwest finds that Oregon's credit unions are essential to the state's economy and delivered a total economic impact of \$3.8 billion. Credit unions not only serve their members, but also help drive local economies, which correlates to a positive impact for Oregon. Credit unions' not-for-profit, cooperative structure, local footprint, and community engagement drive a unique impact that benefits the economy and provides people with tangible financial services and benefits they might not otherwise have access to.

Just like all types of not-for-profit cooperatives, credit unions reinvest in their members. For credit unions, this is through benefits such as dividends, fewer fees, lower interest rates on loans, or higher returns on savings. When those benefits ripple out into the economy, everyone benefits.

Thank you for the opportunity to provide this testimony.

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