

CREDIT UNIONS

Testimony in Support of HB3370
House Commerce and Consumer Protection
February 6, 2025

I am submitting this testimony on behalf of Oregon Credit Unions and the GoWest Credit Union Association.

Background on Oregon Credit Unions

2.3 million Oregonians – 55% of the population – trust credit unions as their financial partners. Credit unions' not-for-profit, member-owned, cooperative structure inherently holds them accountable to the people and communities they serve. As not-for-profit cooperatives, credit unions' commitment to the community is in their everyday DNA. Across the state, credit unions look out for consumers' financial well-being, by providing financial education, helping them to save for a brighter future, and by making the loans that help them get the keys to their dream homes open businesses on MainStreet and buy the autos that help them get to work and school.

HB3370

Every two years we bring our members together to discuss possible updates and changes to the Oregon Credit Union Act and other areas of statute. These recommended changes come from our members and are reviewed by our Regulator at the Division of Financial Regulation.

Our recommendations in 2025 included in HB3370 are minor technical changes. We are not aware of any opposition or concerns to these changes.

1. Update a technical issue and discrepancy in the timeline in which a financial institution must accept an affidavit from the Department of Human Services payout time.
2. Allow credit union management to reinstate expelled members instead of making it a Board of Directors responsibility. This occurs rarely and creates an extra burden for boards that have many high-level strategic priorities pending.
3. Clarify the composition of the Supervisory/Audit Committee to allow Board members to fill these positions with caveats such as no management, Board Chair, etc. The Supervisory Committee supervises clerical and auditing personnel. The primary functions of the committee are to ensure financial statements are accurate and fairly present the financial condition of the credit union, and management practices and procedures safeguard members' assets.

Credit unions are proud of our service to our members and the communities they serve in Oregon and support efforts to serve Oregonians financial needs. Thank you for this opportunity.

2025 Economic Important Report

An independent analysis published by Oxford Economics in December 2024, found that credit unions are essential to Oregon's economy, driving a \$1.9 billion boost to the state's Gross Domestic Product (GDP). Credit unions jobs have a positive ripple effect in our community. Oregon's credit unions account for 6,500 jobs, and in turn, credit union operations support a total of 14,800 jobs in the state. Oregon's 2.3 million credit union members receive also direct benefits, such as low-interest home, vehicle, home-equity, and personal loans and higher interest earned on savings. Those savings are in turn passed into our local economy. The study found that Oregon's credit union members received \$229 million in direct member benefits. Oregon's credit unions also provided billions in home loans, first-time homebuyer assistance, refinanced loans and downpayment assistance

Respectfully,

Pam Leavitt

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

