

CREDIT UNIONS

Testimony on SB430
Senate Committee on Labor and Business
March 18, 2025

I am submitting this testimony on behalf of Oregon Credit Unions and the GoWest Credit Union Association. Consumer protection is very important to Oregon credit unions, and we understand and support the goals of this bill including having consumers understand the costs and fees associated with any transaction.

SB 430 and the -1 amendment specifies that a person that offers or sells goods or services online to a resident of Oregon may not advertise, display, or offer a price for the goods or services that does not include all fees or charges that a purchaser must pay to complete a transaction for the goods or services.

Oregon credit unions are subject to several federal regulations related to this issue. Financial products and services are already subject to advertising requirements that adequately address the issue. The Truth in Savings Act, governed by our federal regulator, the National Credit Union Administration, specifies how CUs must advertise deposit accounts, including when fees must be disclosed. The Truth in Savings Act relates to how credit unions must disclose and advertise deposit accounts.

The law also prohibits advertisements that are misleading, such as calling an account free if it has a service charge attached to it. Similarly, Reg. Z has advertising requirements specific to various types of credit – a set of rules for closed end car loans, another set of rules for credit cards, another set of rules for HELOCs, and another set of rules for mortgages. All of these rules specify disclosures regarding pricing, including fees. These rules protect the public in this area.

Effective in 2018, combined disclosure requirements from the Truth in Lending Act (TILA) and those of Real Estate Settlement Procedures Act (RESPA) came out of the Dodd-Frank act and requires all mortgage lenders to use the same type of disclosures which provide information about fees and other costs so consumers can shop around.

With this background on the laws and regulations we are subject to, we are asking for an exemption for financial institutions within SB430. This would be similar to other legislation and laws around the country. We look forward to supporting the final legislation.

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.

Respectfully,

Pam Leavitt

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