

House Bill 3442

Sponsored by Representative NOSSE

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Exempts certain people from having to get a license to transmit money. (Flesch Readability Score: 60.7).

Exempts from the requirement to obtain a money transmission license a person that assists with or facilitates payment for goods or services under the terms of a contract with a payee if the person does not engage in money transmission and if payment to the person satisfies or otherwise extinguishes a payor's obligation to the payee.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to payment facilitation; amending ORS 717.210; and prescribing an effective date.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 717.210 is amended to read:

5 717.210. (1) ORS 717.200 to 717.320, 717.900 and 717.905 do not apply to:

6 (a) Any company that accepts deposits in this state and that is insured under the Federal De-
7 posit Insurance Act, 12 U.S.C. 1811 et seq., as *amended* **in effect on the effective date of this**
8 **2025 Act.**

9 (b) Credit unions or trust companies.

10 (c) The United States Government or any department, agency or instrumentality thereof.

11 (d) The United States Postal Service.

12 (e) Any state or political subdivision of a state.

13 (f) The provision or electronic transfer of government benefits for any federal, state or county
14 government or other agency as defined in the Federal Reserve Board Regulation E (12 C.F.R. part
15 205), **as in effect on the effective date of this 2025 Act**, by a contractor for and on behalf of the
16 United States Government or any department, agency or instrumentality of the United States, or any
17 state or any political subdivision of a state.

18 (g) The provision or handling of electronic or other transfer of escrowed moneys by an escrow
19 agent licensed under ORS 696.511 to the extent that the escrow agent is:

20 (A) Closing an escrow, as defined in ORS 696.505;

21 (B) Engaging in activity related to a collection escrow, as defined in ORS 696.505; or

22 (C) Serving as a trustee of a trust deed in accordance with ORS 86.713.

23 (h) Authorized delegates of a licensee, acting within the scope of authority conferred by a
24 written contract as described in ORS 717.270.

25 (i) Any bank holding company as defined in the federal Bank Holding Company Act of 1956, 12
26 U.S.C. 1841 et seq., as amended, or any financial holding company as defined in ORS 706.008.

27 (j) Any savings and loan holding company as defined in 12 U.S.C. 1467a (a)(1)(D), as *amended*
28 **in effect on the effective date of this 2025 Act.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **(k) A person that, in accordance with the terms of a written contract with a payee, as-**
2 **sists with or facilitates payment for goods or services through a licensee or through a fi-**
3 **nancial institution, as defined in ORS 706.008, that is subject to regulation under the 31**
4 **U.S.C. 5311 to 5332, as in effect on the effective date of this 2025 Act, if the person does not**
5 **engage in money transmission and if payment to the person satisfies or otherwise extin-**
6 **guishes a payor's obligation to the payee.**

7 (2) The Director of the Department of Consumer and Business Services by rule or order may
8 modify or waive the application of ORS 717.200 to 717.320, 717.900 and 717.905 to any person or
9 group of persons if the director determines that adequate regulation of the person or group of per-
10 sons is provided by law or by another agency of this state.

11 (3) The director by rule or order may temporarily suspend the application of ORS 717.200 to
12 717.320, 717.900 and 717.905 to any person or group of persons while the director considers whether
13 an exemption should be granted and during the pendency of any rulemaking proceeding proposing
14 to create an exemption.

15 **SECTION 2. This 2025 Act takes effect on the 91st day after the date on which the 2025**
16 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**