



Oregon

Kate Brown, Governor

Department of Consumer and Business Services

Division of Financial Regulation

350 Winter St. NE, Room 410

P.O. Box 14480

Salem, OR 97309-0405

April 27, 2020

Via Electronic Mail

Re: Overdraft Coverage for Stimulus Payments

The Oregon Department of Consumer and Business Services, Division of Financial Regulation (Division), recognizes the work that Oregon chartered banks and credit unions have done to meet the financial needs of consumers and businesses affected by the COVID-19 pandemic. The Division recognizes and appreciates that you have worked constructively and proactively with affected borrowers and other customers in the best interests of consumers, businesses, and the Oregon economy consistent with safe and sound practices and applicable state and federal laws.

To serve your communities and customers, the Division supports the efforts of Oregon chartered banks and credit unions to meet the needs of borrowers directly and indirectly affected by the COVID-19 pandemic with payment accommodations that facilitate the ability of Oregonians and businesses to work through the financial setbacks caused by the impact of the pandemic. To this end, DFR appreciates the modification of overdraft policies and procedures that have prevented the use of stimulus payments to satisfy overdrafts. The Division strongly encourages all Oregon chartered banks and credit unions to continue this practice.

The Division urges Oregon chartered banks and credit unions to not use a stimulus payment to satisfy an overdraft that existed prior to a stimulus payment being deposited to the account, or to exercise rights of offset against the account with respect to other debts, for 30 days from the date the stimulus payment is deposited to the account, without express agreement of the customer or member.

Your efforts in meeting the financial challenges presented by the COVID-19 pandemic are greatly appreciated.

Sincerely,

Lou

Louis D. Savage, Administrator