

April 25, 2025

**To the Honorable Chair and Members of the Committee:**

My name is Matt Stephenson, and I am the President/CEO at Rogue Credit Union. We proudly serve communities across the Rogue Valley, Klamath Basin, Umpqua Valley, and the Southern Oregon Coast. Since our founding in 1956, we've grown to serve over 200,000 members, guided by our mission to partner with our members on their journey to financial wellbeing and make an impact in the communities we serve every day through living, giving and supporting local.

I am writing to express my strong opposition to SB 781, which proposes that when a bank sells its assets to a credit union, the receipts from the acquired business portfolio are subject to the corporate excise tax and corporate activity tax.

Credit unions play a vital role in providing affordable and accessible financial services to Oregonians, particularly in underserved communities. If credit unions are discouraged from acquiring bank assets due to increased tax liabilities, consumers may face reduced access to financial services. Fewer options could lead to higher fees, less personalized service, and diminished financial inclusion, particularly in rural areas where credit unions are often the primary financial institutions.

Credit unions aren't large corporations chasing profits. We are not-for-profit, member-owned cooperatives focused on meeting the needs of our communities. We step in where others won't – especially in rural and underserved areas where big banks have pulled out. In many cases, we are the only financial institution left that's still providing critical services like checking accounts, loans and financial education.

SB 781 threatens our ability to do that. If credit unions are discouraged from acquiring bank assets due to additional tax burdens, fewer communities will have access to affordable financial services. This could expand the number of banking deserts in Oregon, particularly in rural areas and among communities of color. In fact, 6% of Oregon's census tracts are already considered banking deserts – and another 6% are at risk of becoming one. This bill would only make matters worse.

In fact, these kinds of acquisitions are rare. From 2012 to 2024, less than 4% of all bank acquisitions were by credit unions. These are not aggressive expansions – they are efforts to preserve community access to financial services. Instead of asking why credit unions are acquiring banks, we should ask why local banks are being forced to sell in the first place, and why so many of those sales go to large, out-of-state financial institutions.



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There is no clear benefit to SB781, either economically or fiscally. But the harm is clear: fewer options, higher fees, and diminished access to credit for families, small businesses and individuals across Oregon. In 2023 alone, Oregon's credit unions delivered \$229 million in direct financial benefits to members. Without credit unions, those funds would flow to Wall Street profits instead of staying in our local economies.

The bill doesn't just hurt credit unions – it hurts regular people. It goes against Oregon's tradition of supporting local, community-based solutions and threatens to undermine the very institutions working hardest to support financial inclusion and opportunity.

**Please vote no on SB 781.** Let's keep financial services accessible, especially for the people and places that need them most.

Thank you for your time and consideration.

Sincerely,

Matt Stephenson  
President/CEO  
Rogue Credit Union  
541.622.7530

**LIVING LOCAL**  
...it's a **ROGUE** thing!