



February 3, 2026

The Honorable Nathan Sosa  
Chair  
House Committee on Commerce and Consumer Protection  
900 Court St. NE  
Salem, Oregon 97301

### **Financial Technology Association Letter of Opposition to House Bill 4116**

The Financial Technology Association (FTA) appreciates the opportunity to raise its concerns with House Bill 4116. FTA—an organization representing innovative fintech companies—champions the power of technology-centered financial services and advocates for the modernization of regulation to support competition, inclusion, and innovation.

FTA members are committed to providing consumer choice, competition, and protection. They work closely with bank partners and, in many cases, focus on providing short-term, low-cost liquidity solutions to consumers so that they can make purchases and address unexpected expenses. Traditional lending solutions historically relied on brick-and-mortar storefronts, manual processes, and legacy technology systems to provide credit. However, responsible fintech companies and banks have long pursued compliant credit related program partnerships that have helped to address credit gaps and better serve a broad range of consumers and small businesses.

We are deeply concerned that enactment of HB 4116 would restrict consumer access to low-cost credit, stifle responsible innovation, and hinder the ability of financial technology companies and banks to collaborate effectively by curtailing lending activity utilized by many Oregonians.

Banks' statutory authority to preempt other states' laws and export interest rates from their home state is not new and is necessary to the functioning of a modern banking system and economy that functions across state lines. In fact, it is a fundamental feature of the United States' dual banking system.

The Supreme Court has expressly acknowledged that the power of a bank to export the interest rate permitted in its home state will impair the ability of states to implement their own rate cap laws. It has also stated that this is a fundamental aspect of how the federal banking laws work.<sup>1</sup>

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<sup>1</sup> *Marquette Nat'l Bank of Minneapolis v. First of Omaha Service Corp.*, 439 U.S. 299 (1978).

If enacted, this bill would create legal uncertainty<sup>2</sup> and undermine access to capital. It will also undermine state-chartered banks and favor the largest national banks, which are not subject to the Depository Institutions Deregulation and Monetary Control Act (DIDMCA) opt-out and related uncertainty. This undercuts competition and will result in further concentration in the largest banks.

Ultimately, any calls to alter the federal banking laws and banking system should be addressed by Congress. It is for these reasons that we respectfully oppose HB 4116. We would welcome the opportunity to discuss our concerns with you further.

Sincerely,

A handwritten signature in cursive script, appearing to read "Penny Lee".

Penny Lee  
President and Chief Executive Officer  
Financial Technology Association

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<sup>2</sup> We note that litigation over Colorado's 2023 opt-out of the Depository Institutions Deregulation and Monetary Control Act remains ongoing. Separately, as written, HB 4116's multi-prong jurisdictional test could lead to overlapping jurisdiction in some cases and after-the-fact shifting jurisdiction in others.