



February 3rd, 2026

Chair Sosa, Vice Chairs Chaichi and Osborne, and members of the Committee

My name is Megan Quintrell, and I am testifying in strong support of HB 4116 on behalf of the Consumer Alliance of Oregon, a statewide coalition of community-based organizations, nonprofits, and national advocates. Our alliance works together to protect Oregonians in advancing fair, transparent, pro-consumer policies—centering communities that have been most harmed by predatory practices.

The passage of HB 4116 is critical to close a predatory loophole that allows online and out-of-state lenders to bypass Oregon's consumer protection laws. As lending increasingly moves to online marketplaces, an outdated federal loophole continues to enable excessive interest rates. Many people turn to predatory lending because they need quick cash to cover basic necessities. **When financial emergencies arise, Oregonians are too often left with loan products that promise relief but ultimately cause long-term harm.**

Recent research conducted by the Oregon Values and Beliefs Center found that 14% of Oregonians have used high-interest loans or lines of credit. It also found that one in three Oregonians worry about their debt on a near-daily basis, regularly looking for ways to supplement their income to cover everyday expenses or cope with sudden financial shocks.

These conditions open the door to predatory, high-interest loans that push borrowers deeper into cycles of financial instability. These business models are built on the financial distress of consumers with the fewest options and the least margin for error. As long as profit is tied to prolonged financial distress, harm is not incidental; it is embedded in the system itself.

This bill does not prohibit access to credit; rather, it ensures that loans made to Oregonians are not predatory, transparent, and consistent with Oregon law. We believe that interest rate decisions should be made by an elected, accountable body—not by online lenders charging rates upwards of 225%.

The Consumer Alliance of Oregon urges your support for HB 4116. By restoring and enforcing our interest rate caps, Oregon can protect families, advance financial equity, and demonstrate leadership by confronting exploitative lending practices head-on.

Thank you,

Members of the Consumer Alliance of Oregon

Bienestar
Centro Cultural
DevNW
Oregon Consumer Justice
Disability Rights Oregon
Leukemia & Lymphoma Society
Micro Enterprise Services of
Oregon (MESO)

NAYA Action Fund
Oregon Consumer League
Oregon Health Equity Alliance
OSPIRG
AGE+
Reimagine Oregon
suma

Oregon Just Transition Alliance
SEIU
Neighborhood Partnerships
Coalition of Communities of
Color
Urban League of Portland
United States of Care