



Representative Lamar Wise
Oregon House District 48

HB 4116 - Predatory Lending

House Commerce and Consumer Protections | February 3rd 2026

Chair, Vice Chair, and Members of the Committee,

For the record, my name is Representative Lamar Wise. I am proud to be a sponsor of House Bill 4116.

HB 4116 is about reaffirming Oregon's authority to protect consumers in a rapidly evolving financial marketplace, especially as lending increasingly occurs online, across state lines, and through third-party facilitators. This bill modernizes our consumer finance statutes to ensure that Oregon law applies when Oregon consumers are involved, regardless of where a lender is headquartered.

At its core, HB 4116 makes a clear policy statement: Oregon does not want federal preemption under Section 521 of the Depository Institutions Deregulation and Monetary Control Act of 1980 to override our state consumer finance protections. That federal provision was enacted over 40 years ago, in a very different financial landscape. Today, it has been used to justify high-cost lending practices that undermine state interest rate limits and consumer safeguards.

This bill restores balance by clarifying when Oregon's consumer finance laws apply, specifically when loans are made to Oregonians, negotiated while a consumer is physically present in this state, or repaid through Oregon-based financial accounts. These are reasonable, jurisdictionally sound standards that ensure our residents are protected by the laws enacted on their behalf.

HB 4116 also strengthens licensing and oversight requirements for consumer finance lenders. By aligning the application process with the Nationwide Mortgage Licensing System and Registry, the bill improves transparency, accountability, and coordination across states. These provisions help regulators identify bad actors while reducing ambiguity for legitimate lenders who want to operate responsibly in Oregon.

Importantly, this bill does not prohibit lending, nor does it interfere with lawful loans made entirely outside Oregon. It simply ensures that when companies choose to do business with Oregonians, they play by Oregon's rules.

At a time when families are already facing rising costs and financial uncertainty, we should not allow regulatory gaps to expose consumers to predatory practices. HB 4116 reinforces our commitment to fair lending, clear jurisdiction, and strong consumer protections.

I respectfully ask for your support of House Bill 4116.

Thank you for your time and consideration.