

COURTNEY NERON MISSLIN
STATE SENATOR
DISTRICT 13



OREGON STATE SENATE
Testimony in Support of HB 4116

February 3, 2026

Chair Sosa, Vice Chair Chaichi, Vice Chair Osborne, and Members of the Commerce and Consumer Protection Committee,

I write in strong support for House Bill 4116, which closes a federal loophole that allows predatory online lenders to evade Oregon's consumer protection laws.

Oregon has had a 36 percent interest rate limit on consumer loans for many years. That limit exists for a reason. Extremely high interest rates make it harder for people to get back on their feet and much easier for them to fall deeper into debt. Today, however, some out-of-state online lenders are able to avoid that limit and offer loans to Oregonians under terms that **would not be legal if the lender were based here**. The number of these costly loans has grown in recent years, even though only a small share of lenders are responsible for them. The result is that thousands of Oregon families are facing years of added financial strain that our existing state laws are designed to prevent.

House Bill 4116 protects Oregonians from this predatory practice by making it clear that when a lender does business with an Oregon resident, Oregon's consumer lending laws apply. A simple opt out of the federal law will close this loophole and protect Oregonians.

I urge your support for HB 4116. Thank you.

Sincerely,

Senator Courtney Neron Misslin