



Memorandum In Opposition

Bill Title: HB 4116

Summary of Provisions: Declares that this state does not want the amendments set forth in section 521 of the Depository Institutions Deregulation and Monetary Control Act of 1980 to apply to consumer finance loans made in this state.

Reason for Opposition

Since its founding in 2008 with the goal of creating access to responsible credit and modern financial services to consumers in need, Cross River has provided over \$150 billion in capital to historically underserved and excluded consumers and communities across the country. In 2024 alone, Cross River originated more than \$210 million in responsible loans to more than 86,000 Oregonians with an average loan size of \$2658. Our average borrower's FICO score in the state was approximately 670. We work to help Oregonians get access to the funds they need to live, work, and grow their lives. We would like to continue being a positive resource for your consumers.

However, if passed, HB 4116 would create several challenges for responsible fintech companies and the community banks with which they partner in order to operate in Oregon. Likewise, state-chartered Oregon community banks would lose regulatory parity with banks from other states. Lastly, residents would risk losing access to credit.

Regardless of statutory rate caps, opting out of the Depository Institutions Deregulation and Monetary Control Act (DIDMCA) creates uncertainty for banks like Cross River, now and in the future. As the bank partner to over 100 fintech companies, Cross River is able to originate loans under the same statutory rate cap for consumers all over the country, increasing many Americans' access to credit. However, those arrangements are only feasible under the DIDMCA regime. The predictability that comes with operating within the rules of a home jurisdiction allows for more and faster extension of credit. Opting out of DIDMCA, as Iowa once did to the detriment of their residents, produces roadblocks to lenders and their fintech partners, thus reducing access to credit, and subjecting consumers to more predatory and much less reputable options to meet their needs. Finally, opt-out legislation continues to stand on uncertain legal footing, as the state of Colorado remains in litigation over the issue.

For these reasons, we urge the committee to not support this legislation.



About Cross River

Cross River is a New Jersey State chartered, Member FDIC Community Bank that has pioneered and grown the Bank/Fintech partnership model over the last 17 years creating access to responsible credit and modern financial services to consumers and small businesses across the country. Cross River provides technology infrastructure powering the future of financial services. Leveraging its proprietary real-time banking core, Cross River delivers innovative and scalable embedded payments, cards, and lending solutions to millions of consumers and businesses. Cross River is backed by leading investors and serves the world's most essential fintech and technology companies. Leading the industry, Cross River is reshaping global finance and financial inclusion.

Please contact Joe Horvath, AVP, Government Affairs for Cross River Bank at jhorvath@crossriver.com