



DEVELOPING THRIVING COMMUNITIES

January 28, 2025

House Committee on Commerce and Consumer Protection
900 Court Street NE
Salem, Oregon 97301

RE: Support for HB 2561

Chair Sosa, Vice Chairs Chaichi and Osborne and Members of the Committee:

My name is Karen Saxe and I work at DevNW, an affordable housing development and asset-building agency serving Lane, Linn, Benton, Lincoln, Marion, Polk and Clackamas Counties.

DevNW embarks on comprehensive community development throughout our seven-county service area through services aimed at increasing financial stability for individuals and families as well as through economic and housing development.

One in three Oregonians already worries about their debt on a near-daily basis according to research from the Oregon Values and Beliefs Center. Predatory, high-interest loans keep consumers trapped in unsustainable cycles of financial insecurity.

A key provision of this bill would opt Oregon out of Section 521 of federal banking law, the Depository Institutions Deregulation and Monetary Control Act of 1980 (DIDMCA). Right now DIDMCA allows state-chartered banks to export their interest limits to other states, often through online lenders. This loophole means that Oregonians are entering into loans with interest rates of 160% or more - much higher than Oregon's 36% cap.

We urge your support of HB 2561 to protect Oregonians from these predatory lending practices.

Sincerely,

A handwritten signature in black ink, appearing to read "KSaxe".

Karen Saxe
Director of Policy, Advocacy and Strategic Relationships
DevNW

devNW.org



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