

Date: January 30, 2025  
To: House Committee On Commerce and Consumer Protection  
From: Blake Abrams, Retired Banker  
Re: Support for Public Finance Task Force

Chair Sosa, Vice Chairs Chaichi and Osborne, and members of the committee:

My name is Blake Abrams, and I'm here to voice my emphatic support for HB 2966 and the creation of a State Public Finance Task Force. I speak not only as a retired banker with decades of experience in the financial industry but also as a lifelong Republican who believes in fiscal responsibility, accountability, and the importance of protecting the public from corporate greed.

Let me be clear: the banking industry does not care if its actions destroy lives, communities, or even the environment, as long as every last dollar is squeezed out of the system to benefit shareholders and executives. Banks are spending millions of dollars on lobbyists—not to protect consumers or small businesses, but to protect their own profits. Many of those same lobbyists were in the room on Tuesday, listening for opportunities to exploit any weakness they could find, because they know that even the smallest step toward public finance threatens their stranglehold on our economy. Despite their statements otherwise, they don't want to work collaboratively with other financial institutions. They'd be thrilled if they could run a monopoly on banking, and run up the cost of fees and other schemes to keep our communities and families poor. Struggle for us means profit for them.

I was working for Wells Fargo during what is now widely recognized as one of the most corrupt eras in modern banking history, and saw firsthand the depths to which banks will sink in pursuit of profit, and I'm here to tell you that the current financial system is not structured to serve the public good. **It is structured to enrich those already at the top—at the expense of everyone else.** What I witnessed still haunts me. From 2002 to 2016, the bank systematically defrauded millions of its customers by opening unauthorized accounts, forging signatures, and charging fees for products people never wanted or needed. Employees were pressured to meet impossible sales goals under threat of losing their jobs—goals that senior executives knew would lead to unethical and unlawful practices. It wasn't a failure of a few bad actors; it was a systemic culture of greed: approved and encouraged by leadership at the highest levels.

This wasn't just Wells Fargo. It was the entire system. Banks like Wells Fargo, U.S. Bank, JPMorgan Chase, and others repeatedly engage in predatory practices, from foreclosing on homes during economic crises to profiting from high-interest loans that trap families in cycles of debt. **When these banks are caught, they pay fines that amount to a small fraction of their profits—while continuing to exploit the same communities they claim to serve.**

Banks will tell you they're here to serve communities, but their actions speak louder than their marketing campaigns. In reality, the financial industry spends millions of dollars every year lobbying

against reforms that would empower small businesses, family farmers, and working families. They claim the financial system is already “vibrant” and “community-minded,” yet they fight tooth and nail to block any attempt to create alternatives that might challenge their dominance—even if the more likely result would be more wealth for them.

**Take, for example, Duane Davidson, a former Washington State Treasurer who now lobbies against public banking initiatives as part of the State Financial Officers Foundation (SFOF)**—an organization that represents far-right, corporate-backed interests aligned with ALEC (American Legislative Exchange Council). He didn’t write his “report” from a place of objectivity; ALEC and SFOF contributed heavily, and then he left “public service” to profit from having issued this reckless, dishonest, and dangerous “report”. I hope it is clear to all of you that these groups, funded by billionaires and corporate money, are not looking out for working families. **They don’t care about Republicans or Democrats: they are laser-focused on protecting the wealth of the top 1% at the expense of everyone else.**

It is not true that Oregon’s current financial system is adequately serving everyone. **Our system is strangling small businesses, farmers, and communities.** Let me give you the truth about what’s happening on the ground:

### 1. **Small Businesses Are Being Denied Affordable Credit**

- Banks claim they are “fiercely competing to attract borrowers,” but the reality is that many small businesses are denied loans or are forced to take on debt with exorbitant interest rates and fees. This is especially true for minority-owned businesses and those in rural areas.
- During the COVID-19 pandemic, large banks prioritized processing loans for their wealthiest clients over small businesses desperately trying to access federal relief.

### 2. **Family Farmers Are Struggling to Survive**

- Many family farmers can’t get the affordable credit they need to invest in sustainable practices or expand their operations. Instead, they are often forced to take out high-interest loans that put them at risk of losing their land to foreclosure. The current system isn’t designed to protect or support them—it’s designed to extract as much profit as possible, from them and from government subsidies.

### 3. **Underbanked Communities Are Left in the Cold**

- Large banks have abandoned rural communities and low-income neighborhoods, leaving residents to rely on predatory payday lenders or check-cashing services that charge exorbitant fees. These communities need accessible, affordable financial services—not more empty promises.

#### 4. **Infrastructure Financing Is Costing Taxpayers Millions**

- Local governments are paying outrageous fees and interest rates to big banks to finance infrastructure projects. These costs are passed on to taxpayers, draining public resources that could be better spent on schools, healthcare, and other essential services.

The creation of a State Public Finance Task Force is a necessary first step toward breaking free from this corrupt system. Here's why:

- *Accountability and Transparency:* A public financial institution would be accountable to the people of Oregon—not to shareholders or executives. It would prioritize community needs over profit margins.
- *Affordable Credit for Small Businesses and Farmers:* Public financing could fill the gaps left by traditional banks, providing loans at fair rates to small businesses, family farmers, and underserved communities.
- *Lower Costs for Infrastructure Projects:* By reducing the reliance on Wall Street banks, Oregon could save millions in fees and interest, freeing up taxpayer dollars for critical public investments.
- *Resilience and Local Development:* A public finance system would allow Oregon to invest in its own communities, creating jobs and fostering economic resilience during downturns.

The opposition to HB 2966 is not about protecting Oregonians—it's about protecting profits. When lobbyists from organizations like the **Oregon Financial Services Association** or **Umpqua Bank** testify against this bill, they are not speaking for small businesses, farmers, or working families: *they're speaking for the financial institutions that profit off the status quo.*

***It is also important to recognize the hypocrisy of their arguments. They claim public financing would be "too risky" or "too political," yet they ignore the fact that private banks have repeatedly put the entire global economy at risk through reckless, profit-driven behavior. From the 2008 financial crisis to the Wells Fargo scandal, private banks have demonstrated that they cannot be trusted to act in the public's best interest.***

HB 2966 is not just about creating a task force—it's about starting a conversation that the banking industry doesn't want us to have. It's about imagining a financial system that works for everyone, not just the wealthy and powerful. I urge you to support HB 2966 and take the first step toward creating a financial system that prioritizes people over profits.

Thank you,

Blake Abrams  
Retired Banker, Former Employee of Wells Fargo