



**To the Honorable Chair and Members of the Committee:**

My name is Robert Blumberg, CEO of Wauna Credit Union serving about 27 thousand members located in Columbia, Clatsop, Washington Counties. We have been in operation since 1967 and have seven branches spread throughout those three counties covering small towns in rural Oregon. We are highly active in those three counties and turn back thousands of dollars into those communities via direct donation to local non-profits and staff volunteer time.

I am writing to express my strong opposition to SB 781, which proposes that when a bank sells its assets to a credit union, the receipts from the acquired business portfolio are subject to the corporate excise tax and corporate activity tax.

Credit unions play a vital role in providing affordable and accessible financial services to Oregonians, particularly in underserved communities. If credit unions are discouraged from acquiring bank assets due to increased tax liabilities, consumers may face reduced access to financial services. Fewer options could lead to higher fees, less personalized service, and diminished financial inclusion, particularly in rural areas where credit unions are often the primary financial institutions.

As I mentioned previously, Wauna Credit Union has made over \$200 thousand in direct donations to local non-profit organizations. As an example, last year we donated \$24,828 to the Harbor and hundreds of volunteer hours. The Harbor's mission is to provide advocacy, prevention and support while promoting self-determination and hope for survivors of domestic violence, sexual assault and stalking. If this bill passes, it will diminish or even prevent us from contributing these much-needed donations and volunteer hours to the local non-profit organizations.

- **Credit unions step in when no one else will**

In many parts of Oregon, especially in rural or low-income communities, big banks are leaving. Credit unions are often the only ones willing to keep services going. This bill could mean fewer places for people to get loans, open accounts, or manage their money. Here in our local community, US Bank has closed their branches in Clatskanie and Vernonia. Bank of America has closed their branches in Rainier and Astoria. Wauna Credit Union continues to invest our dollars in the local community and has built a new branch in Astoria, Forest Grove, St Helens, and Warrenton. We are getting ready to build a new branch in Scappoose.

- **This bill hurts regular people, not just credit unions**

Credit unions aren't big corporations. They're member-owned, not-for-profit local cooperatives. When they pay more taxes, it's everyday Oregonians who feel it—through fewer services, higher fees, or less access to credit. Any excess monies made over expenses are turned back to the members in the form of services and/or technology.

- **Economic Impact**

Oregon credit unions delivered \$229 million in direct financial benefits to the state's 2.3 million credit union members in 2023. In banks, those funds would go to Wall Street profits instead of Oregon residents.

- **This bill goes against Oregon's values**

Oregon has always supported local, community-based solutions, and credit unions are part of that tradition. This bill puts up barriers to access financial services, instead of helping credit unions support more people and communities.



- **There's no clear benefit**

There's no evidence that this bill will help our economy or bring in significant new revenue. But we do know it will make it harder for credit unions to serve the public and its members.

- **Potential for expanded banking deserts**

In 2024, 6% of census tracts in Oregon were banking deserts and 6% could become a desert if a branch closes. The banking deserts are 28% rural, 64% suburban, and 8% urban, and 16% also have limited access to broadband. In 2% of banking deserts and 3% of potential banking deserts, most residents are people of color. \* <https://fedcommunities.org/data/banking-deserts-dashboard/>

- **Very few banks sell to credit unions**

From 2012 to 2024, there were 2,499 bank acquisitions by another bank, and 78 bank sales to a credit union. That's less than 4% of total bank acquisitions. These are community-preserving acquisitions, not aggressive expansions.

Further, Credit unions account for 0.6% of total assets in banks sold – in the same timeframe, \$3060.2 billion in assets were acquired by other banks, just \$31.3 billion was acquired by a credit union.

*The bigger question Oregon should investigate is why small local banks are selling in the first place and why large, out-of-state banks continue to dominate the financial services landscape.*

**Please vote no on SB 781.** Let's keep financial services accessible, especially for the people and places that need them most.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads 'Robert Blumberg'. The signature is fluid and cursive, with the first name 'Robert' and last name 'Blumberg' clearly distinguishable.

Robert Blumberg, CEO Wauna Credit Union