

HB 4116

From the Desk of
Senator Deb Patterson

Opt Oregon Out of Predatory Interest Rates

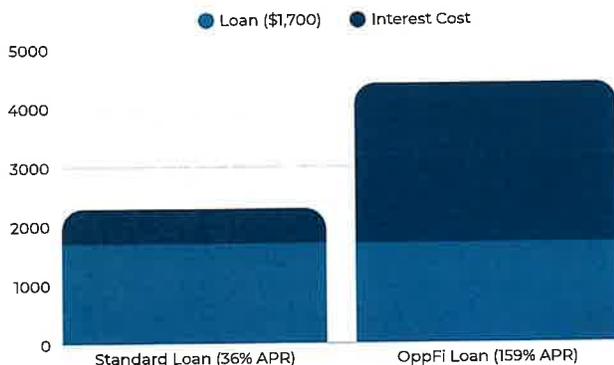


Oregonians deserve fair and transparent lending practices free from exploitative tactics.

HB 4116 closes a loophole in federal law enacted in the 1980s that allows lenders to bypass Oregon's 36% interest rate cap on consumer loans.

More than **22,000 high-interest loans** have been made to Oregonians since 2020, siphoning **tens of millions of dollars** from families who can least afford it and trapping them in cycles of debt.

Just five lenders in Oregon exploit this loophole, yet they market aggressively to crowd out more reputable options. Oregonians with a range of credit scores can access **185 lenders offering products within our 36% cap.**



Bill Highlights

- Opt Oregon out of Section 521 of the Depository Institutions Deregulation and Monetary Control Act (DIDMCA)
- Stop predatory lenders from targeting Oregonians dealing with financial insecurity
- Restore Oregon's ability to enforce its own lending laws

Real Impact

OppFi partners with a Utah bank to offer 159% interest on a \$1,700 loan. That adds up to \$2,703 in interest and a \$4,403 total loan cost.

Pressuring people to refinance their debt is central to the business model, generating roughly 75% of the company's pre-tax income [1].

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¹Lost Opportunities: How OppFi Traps Borrowers in Unaffordable Debt, Center for Responsible Lending, January 27, 2026.

Organizations in support of HB 4116

