

HOUSE MINORITY REPORT AMENDMENTS TO HOUSE BILL 4116

By Nonconcurring Members of COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

February 13

- 1 On page 1 of the printed bill, line 2, after “loans;” delete the rest of the line.
- 2 In line 3, delete “725.370;”.
- 3 After line 3, insert:

4 “Whereas many Oregonians are credit-challenged and lack access to traditional forms of credit,
5 yet still face unexpected expenses that require short-term financial solutions; and

6 “Whereas short-term loans currently serve as a financial bridge for consumers who do not
7 qualify for conventional banking products, particularly during emergencies; and

8 “Whereas recent data shows that one-third of respondents report that they could not afford a
9 \$400 emergency expense, highlighting the financial vulnerability of a significant portion of Oregon
10 households; and

11 “Whereas that same data shows an increase in the fall of 2023 from one-third to 46 percent,
12 indicating worsening short-term financial resilience among Oregon consumers; and

13 “Whereas urban and rural Oregon residents report nearly identical inability to cover a \$400
14 emergency expense, underscoring a shared financial reality across geographic regions of the state;
15 and

16 “Whereas the potential removal or restriction of short-term loan products may have unintended
17 consequences for credit-challenged consumers who rely on these options to meet immediate financial
18 needs; and

19 “Whereas a thoughtful, data-driven examination of consumer access to short-term credit, in-
20 cluding impacts on household stability, financial inclusion and economic equity, is necessary before
21 any policy changes are enacted; and

22 “Whereas establishing a task force to study the role of short-term loans and to explore alter-
23 natives and safeguards would provide the Legislative Assembly with informed recommendations
24 grounded in the lived experience of Oregon consumers; now, therefore.”.

25 Delete lines 5 through 24 and delete pages 2 and 3 and insert:

26 **“SECTION 1. (1) The Task Force on Equitable Access to Short-Term Financial Products
27 is established.**

28 **“(2) The task force consists of 12 members appointed as follows:**

29 **“(a) The President of the Senate shall appoint two nonvoting members from among
30 members of the Senate, one from each caucus.**

31 **“(b) The Speaker of the House of Representatives shall appoint two nonvoting members
32 from among members of the House of Representatives, one from each caucus.**

33 **“(c) The Governor shall appoint eight voting members as follows:**

34 **“(A) Two Oregon residents who have taken out short-term loans in this state;**

- 1 “(B) Two members who represent lenders who offer short-term loans;
- 2 “(C) Two members who represent consumer advocacy organizations;
- 3 “(D) One member who represents financial institutions; and
- 4 “(E) The Director of the Department of Consumer and Business Services, or a designee.
- 5 “(3) The task force shall study the following issues:
- 6 “(a) What access Oregonians have to short-term credit and the consequences of changing
- 7 that level of access;
- 8 “(b) The role short-term loans play in the finances of Oregon residents, including how
- 9 short-term loans function as a financial bridge for consumers who lack access to traditional
- 10 credit and the types of emergencies or expenses for which consumers use short-term credit;
- 11 “(c) Features of short-term loans that benefit consumers or that affect consumers'
- 12 ability to repay the loans, such as length or term, line size, fee structure and a lack of pre-
- 13 payment penalties;
- 14 “(d) Who in the state needs short-term loan products and who lacks access to traditional
- 15 credit, including examining urban versus rural households and which populations are dis-
- 16 proportionately affected by limited access to credit;
- 17 “(e) Potential consequences that might result from restricting or removing access to
- 18 short-term loan products, including both intended and unintended consequences; and
- 19 “(f) Alternatives, safeguards and policy options for addressing the credit needs of con-
- 20 sumers in this state, including whether viable substitutes for short-term loans exist at scale
- 21 and what safeguards could mitigate harm while preserving access to credit.
- 22 “(4) The task force may take testimony, conduct research and perform other tasks to
- 23 carry out the purpose specified in subsection (3) of this section.
- 24 “(5) A majority of the voting members of the task force constitutes a quorum for the
- 25 transaction of business.
- 26 “(6) Official action by the task force requires the approval of a majority of the voting
- 27 members of the task force.
- 28 “(7) The Governor shall select one voting member of the task force to serve as chair-
- 29 person and another voting member to serve as vice chairperson, for the terms and with the
- 30 duties and powers necessary for the performance of the functions of the offices as the Gov-
- 31 ernor determines.
- 32 “(8) If there is a vacancy for any cause, the appointing authority shall make an appoint-
- 33 ment to become immediately effective.
- 34 “(9) The task force shall meet at times and places specified by the call of the chairperson
- 35 or of a majority of the voting members of the task force.
- 36 “(10) The task force may adopt rules necessary for the operation of the task force.
- 37 “(11) The task force shall submit a report in the manner provided by ORS 192.245, and
- 38 may include recommendations for legislation, to an interim committee of the Legislative
- 39 Assembly related to consumer protection no later than December 15, 2026.
- 40 “(12) The Department of Consumer and Business Services shall provide staff support to
- 41 the task force.
- 42 “(13) Members of the Legislative Assembly appointed to the task force are nonvoting
- 43 members of the task force and may act in an advisory capacity only.
- 44 “(14) Members of the task force who are not members of the Legislative Assembly serve
- 45 as volunteers on the task force and, unless they are qualified members, as defined in ORS

292.495, are not entitled to compensation or reimbursement for expenses.

“(15) All agencies of state government, as defined in ORS 174.111, are directed to assist the task force in the performance of the duties of the task force and, to the extent permitted by laws relating to confidentiality, to furnish information and advice the members of the task force consider necessary to perform their duties.

“(16) All appointments to the task force made under subsection (2) of this section must be completed by 100 days after adjournment sine die of the 2026 session of the Eighty-third Legislative Assembly.

“(17) The task force shall have its first meeting on or before 100 days after adjournment sine die of the 2026 session of the Eighty-third Legislative Assembly.

“SECTION 2. Section 1 of this 2026 Act is repealed on December 31, 2027.

“SECTION 3. This 2026 Act takes effect on the 91st day after the date on which the 2026 regular session of the Eighty-third Legislative Assembly adjourns sine die.”.

/s/ Virgle Osborne
Representative

/s/ E. Werner Reschke
Representative