

## SENATE MINORITY REPORT AMENDMENTS TO HOUSE BILL 4116

By Nonconcurring Members of COMMITTEE ON LABOR AND BUSINESS

March 3

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 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 member of the task force to serve as chairperson and**  
29       **another to serve as vice chairperson, for the terms and with the duties and powers necessary**  
30       **for the performance of the functions of the offices as the Governor determines.**  
31       **“(8) If there is a vacancy for any cause, the appointing authority shall make an appoint-**  
32       **ment to become immediately effective.**  
33       **“(9) The task force shall meet at times and places specified by the call of the chairperson**  
34       **or of a majority of the voting members of the task force.**  
35       **“(10) The task force may adopt rules necessary for the operation of the task force.**  
36       **“(11) The task force shall submit a report in the manner provided by ORS 192.245, and**  
37       **may include recommendations for legislation, to an interim committee of the Legislative**  
38       **Assembly related to consumer protection no later than December 15, 2026.**  
39       **“(12) The Department of Consumer and Business Services shall provide staff support to**  
40       **the task force.**  
41       **“(13) Members of the Legislative Assembly appointed to the task force are nonvoting**  
42       **members of the task force and may act in an advisory capacity only.**  
43       **“(14) Members of the task force who are not members of the Legislative Assembly serve**  
44       **as volunteers on the task force and, unless they are qualified members, as defined in ORS**  
45       **292.495, are not entitled to compensation or reimbursement for expenses.**

