



CONSUMER ALLIANCE

of Oregon

February 10, 2026

Chair Sosa, Vice Chair Chaichi, Vice Chair Osborne, and members of the House Commerce & Consumer Protection Committee,

My name is Megan Quintrell, respectfully submitting testimony in opposition to HB 4141 on behalf of the Consumer Alliance of Oregon (CAO), a statewide coalition of community-based organizations, nonprofits, and national consumer advocates. **Our alliance works together to protect Oregonians and advance fair, transparent, and pro-consumer policies—especially for communities that have been most harmed by predatory practices.**

HB 4141 would significantly expand and legitimize the debt resolution industry in Oregon while failing to adequately protect consumers from the well-documented harms associated with these services. Debt resolution fees are often significant, and in many cases, consumers end up paying more in fees than the amount of debt they held when they originally entered the program. These fees reduce the availability of accessible funds to actually resolve debts, prolonging consumers' path to financial recovery. **Although the bill places restrictions on when these fees may be collected, it nonetheless legitimizes a fee structure that is fundamentally misaligned with consumers' best interests.**

Equally concerning is the debt resolution industry's common practice of advising consumers to stop paying their creditors to pressure for settlements. For many Oregonians, particularly those with unstable incomes or limited access to legal assistance, this approach can result in serious and lasting harm. Missed payments often result in mounting late fees, penalty interest rates, aggressive collection activity, and an increased risk of lawsuits. **These consequences can follow consumers for years, impacting their ability to access affordable credit, secure stable housing, and, in some cases, obtain or maintain employment.** While HB 4141 requires disclosures acknowledging these risks, disclosure alone does not provide meaningful consumer protection.

More broadly, debt resolution services operate within—and actively reinforce—a system that extracts wealth from communities already facing economic insecurity and structural inequities. These business models depend on the financial distress of consumers with the fewest options and the least room for error. Registration and disclosure requirements, while necessary, leave untouched the incentive structure that rewards companies for enrolling vulnerable consumers in high-risk, uncertain programs. When distress is profitable, harm is embedded in the system itself.

Oregon has the opportunity to reject policies that normalize these extractive practices and instead invest in solutions that build consumer resilience, prioritize repayment over default, and support overall long-term financial stability. We urge the committee to oppose HB 4141.

Sincerely,

Members of the Consumer Alliance of Oregon

Bienestar	Micro Enterprise Services of Oregon (MESO)	suma
Centro Cultural	NAYA Action Fund	Oregon Just Transition Alliance
DevNW	Oregon Consumer League	SEIU
Oregon Consumer Justice	Oregon Health Equity Alliance	Neighborhood Partnerships
Disability Rights Oregon	OSPIRG	Coalition of Communities of Color
Blood Cancer United	AGE+	Urban League of Portland
		United States of Care