



March 24, 2026

The Honorable Tina Kotek  
Governor of Oregon  
900 Court Street, Suite 254  
Salem, OR 97301-4047

Re: Request to veto HB 4116

Dear Governor Kotek:

I am writing on behalf of the American Fintech Council (AFC) to respectfully urge you to veto House Bill 4116 (“HB 4116” or “the Act”) when it arrives on your desk.<sup>1</sup>

A standards-based organization, AFC is the largest and most diverse trade association representing responsible financial technology (fintech) companies and innovative banks. On behalf of more than 150 member companies and partners, AFC promotes a transparent, inclusive, and customer-centric financial system by supporting responsible innovation in financial services and encouraging sound public policy. AFC members foster competition in consumer finance and pioneer products designed to better serve underserved consumer segments and geographies.

AFC supports your administration’s commitment to consumer protection and to ensuring Oregonians have access to fair and affordable credit. We also appreciate your recognition of the vital role community banks play in Oregon’s economy, particularly in rural and underserved communities.<sup>2</sup> However, HB 4116 runs counter to those priorities, and ultimately places Oregon’s state-chartered community banks at a severe disadvantage relative to nationally chartered institutions that are not subject to the same limitations established through the passage of the Act. Over time, HB 4116 will shift lending activity away from Oregon-regulated institutions and reduce access to relationship-based banking services that many Oregonians rely on for their financial needs.

Notably, the limitations established in HB 4116 do not apply to nationally-chartered banks—encouraging high-interest lenders to partner or acquire these banks to avoid the limitations of the Act. This point is not merely speculation on future market activities or an industry scare tactic. In fact, this market movement that evades the scope of HB 4116 is already occurring through the recent acquisition of Grasshopper Bank, a nationally-chartered bank, by the high-interest rate

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<sup>1</sup> AFC’s membership spans banks, non-bank lenders, payments providers, EWA providers, loan servicers, credit bureaus, and personal financial management companies.

<sup>2</sup> Oregon Department of Consumer and Business Services, “Oregon Gov. Tina Kotek Proclaims Oct. 20-24 Community Bank Week,” (Oct. 14, 2025), available at <https://apps.oregon.gov/oregon-newsroom/OR/DCBS/Posts/Post/community-bank-week>; and American Fintech Council, “Letter to Governor Tina Kotek Applauding Oregon Banking Week,” (Oct. 23, 2025), available at <https://www.fintechcouncil.org/advocacy/or-afc-letter-to-governor-tina-kotek-applauding-oregon-banking-week>.

fintech company Enova.<sup>3</sup> Market activities such as this will continue to occur, leaving Oregon consumers and Oregon banks worse-off than before the passage of HB 4116.

Further, the process of passing the Act lacked the hallmarks of pragmatic deliberation needed in major policy decisions such as those covered in HB 4116. Specifically, HB 4116 did not undergo a full and thorough vetting during the 2026 Legislative Session, raising concerns about its potential unintended consequences. If enacted, the bill could significantly disrupt the lending landscape in Oregon. Testimony before policy committees indicated that some lenders may be forced to exit the market as early as this June due to the 91-day effective date, which would further limit credit availability for consumers.

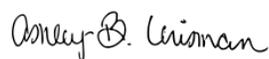
This concern regarding the direct impact on Oregonians is underscored by data from the 2025 Oregon Financial Scorecard: 58% of Oregonians could not cover a \$1,000 emergency expense with savings, 17% are sub-prime borrowers, and one in three cannot cover a \$400 emergency.<sup>4</sup> Given these realities, policies that reduce access to responsible credit, without fully understanding the downstream impacts, risk leaving consumers with fewer and less transparent options.

For these reasons, we respectfully urge you to veto HB 4116 and instead support an interim process that engages all stakeholders to address predatory lending. Convening stakeholders during the interim would allow for a more comprehensive review of the policy and help develop solutions that align with your administration's goals without disrupting Oregonians' access to financial services. Given the absence of a formal stakeholder engagement process in the lead up to this short session and the subsequent legal concerns raised during the legislative process, taking additional time for review is both prudent and appropriate.

Legislators shared these substantial concerns across party lines, including House Democrat Paul Evans who submitted a letter into the legislative record urging his Senate colleagues to instead hold an interim workgroup.<sup>5</sup>

Please veto HB 4116 and direct your agency to return to the 2027 Legislature with a bill that balances consumer protection with ensuring Oregonians have access to fair and affordable credit.

Respectfully,



Ashley Urisman  
Director of State Government Affairs  
American Fintech Council

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<sup>3</sup> Enova International, Inc., "Enova Announces Definitive Agreement to Acquire Grasshopper Bank," press release, (Dec. 11, 2025), *available at* <https://ir.enova.com/2025-12-11-Enova-Announces-Definitive-Agreement-to-Acquire-Grasshopper-Bank>.

<sup>4</sup> Oregon State Treasury. *2025 Oregon Financial Wellness Scorecard*. Salem, OR: Oregon State Treasury, (Feb. 6, 2025), *available at* <https://www.oregon.gov/treasury/financial-empowerment/Documents/Annual-reports/2025-scorecard-FINAL.pdf>.

<sup>5</sup> Paul Evans, written testimony regarding HB 4116, 83rd Oregon Legislative Assembly, 2026 Regular Session, Oregon House of Representatives, 2026, *available at* <https://olis.oregonlegislature.gov/liz/2026R1/Downloads/PublicTestimonyDocument/252035>.