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Tucson, Arizona 85704

May 22, 2026

Ms. Kris Mayes, Attorney General

Mr. Charles Bassett, Director

Office of Attorney General

Dept/ of Insurance and Financial Institutions

2005 N. Central Avenue

100 North 15th Avenue, Suite 261

Phoenix, AZ 85004

Phoenix, AZ 85007

Delivered Electronically

Re: Update to February Letter on Enforcing Arizona Usury Law to Stop Rent-An-Bank Lending

Dear Attorney General Mayes and Director Bassett:

In February, the Center for Economic Integrity wrote, urging you to make credit more affordable by enforcing the Consumer Lender law to stop lenders from using banks to evade Arizona’s usury law. We asked that you support state legislation to make it easier to enforce our usury laws by adding a definition to “true lender” to Title 6 and by opting out of rate exportation by state-chartered banks under the federal Depository Institutions Deregulation and Monetary Control Act (DIDMCA). **This letter adds additional steps we urge you to take to support affordable credit in Arizona.**

The affordability crisis for Arizona families has only gotten worse with higher inflation, soaring fuel and food costs. Credit card use is up as consumers fail to make ends meet. **While your offices cannot lower gas and grocery prices, you do have the power and authority to lower the cost of borrowing for the vulnerable families most impacted by the affordability crisis by enforcing Arizona’s usury law and putting a stop to evasions of our voter supported rate cap.**

While we do not know the total cost of rent-a-bank lending on Arizona families, enforcement actions in other states illustrate the financial drain of unchecked rent-a-bank

lending. Earlier this year, the Oregon Division of Financial Regulation ordered LoanMart to repay \$900,00 to Oregon borrowers for unlicensed “rent-a-bank” loans costing borrowers 126 to 179 percent for installment loans made from 2019-2023.ⁱ The order identified LoanMart’s owner as Wheels Financial Group LLC and bank partner as Capital Community Bank in Utah.ⁱⁱ In 2022, The DC Attorney General required Elevate to refund DC consumers \$3.3 million in excess charges through its rent-a-bank deal.ⁱⁱⁱ The California Department of Financial Protection and Innovation told the court that Opportunity Financial’s rent-a-bank lending impacted 38,000 borrowers.^{iv}

Oppose “Buy-a-Bank” Tactic to Evade State Rate Caps

Please join us in insisting that the Trump Administration deny applications from Enova and OppFi, lenders that charge annual interest rates of 100% and higher, to become national banks.

High-cost online lenders have been using a few state banks to claim their loans are not subject to Arizona usury limits. The CEI roster of rent-a-bank lenders in January identified eight nonbank lenders using a few state-chartered banks based in Utah and Kentucky engaged in high-cost lending in Arizona.^v As we noted, Arizona can stop state bank rate exportation by opting out of federal DIDMCA law. This year the Oregon legislature enacted HB 4116 to opt out of DIDMCA, joining Colorado, Iowa and Puerto Rico.^{vi}

The latest development is that two companies on our roster are now applying for national bank charters to take advantage of preemption and rate exportation. While law enforcement can use the “true lender” test to combat this use of national banks, it is far better to stop this tactic outright.

The two online lenders seeking national bank charters are lending in Arizona without Consumer Lender licenses and are charging rates much higher than our usury law permits.

OppFi (Opportunity Financial LLC) charges 156 percent APR for a \$2,000 loan in Arizona, using three Utah state banks. OppFi is seeking to buy BNC Bank. The National Consumer Law Center (NCLC) press release states “OppFi’s 160 % interest charges are outrageous. President Trump should not allow OppFi to become a national bank and spread high-interest rate pain across the county.” NCLC also notes that Arizona is one of five states where voters reject predatory rates. .^{vii}

Enova which lends in Arizona via NetCredit Loan Services, Inc., uses three banks to make installment loans at 99 percent APR. Until recently, NetCredit Loan Services, Inc. was

a licensed Consumer Lender, CL-#0936848, but is no longer listed on DIFI's licensee roster. In other states, Enova's CashNetUSA charges almost 300 percent for loans. Enova is seeking to buy Grasshopper Bank. National groups provided the Federal Reserve with information to oppose this charter ^{viii}

CEI recently joined over 100 consumer and community groups in urging the leadership of the Senate Banking Committee and the House Committee on Financial Services to oppose granting predatory lenders national bank charters. ^{ix} CEI and other Arizona groups have also called on the Federal Reserve to deny Enova's application for a national bank charter. ^x

Please take a stand against predatory lenders using national bank charters to evade Arizona usury laws. We hope you will join with other state Attorneys General and credit regulators to assert state authority over rates Arizonans pay for credit.

Take a Pro-Consumer Position on Federal Legislation to Save States' Authority to Enforce Usury Limits

We also request your support for the legislative positions we have shared with the Arizona Congressional delegation and our Senators. Our goal is to make consumer credit more affordable for Arizona families and to stop tactics to evade usury laws. Please see our [letter](#) for more information on these bills. (See Endnote #9)

- **Oppose S. 3889 (Moreno), American Lending Fairness Act.** This bill eliminates states' ability to opt out of the Depository Institutions Deregulation and Monetary Control Act of 1980 (DIDMCA) to stop unaffordable predatory lending via rent-a-bank schemes. We are urging Arizona to opt out of DIDMCA and this federal bill would prohibit that action.
- **Support S. 3721 (Whitehouse), Empowering States Rights to Protect Consumers Act,** which would require both federally and state-chartered banks to comply with state usury laws. If enacted, this law would stop both rent-a-bank and buy-a-bank tactics to evade rate caps. This would not only protect consumers but ensure fair competition.
- **Support S. 3793 (Reed), Predatory Lending Elimination Act.** This bill extends the protections of the Military Lending Act to all borrowers and applies to all lenders. States would be permitted to set lower rate caps than the 36% AR cap that currently protects active duty servicemembers and their families. It is past time for federal usury law.

Please let us know if we can provide further information.

Kelly Griffith, Executive Director

Jean Ann Fox, Adviser

ⁱ Press Release, Oregon Division of Financial Regulation, “DFR fines LoanMar \$600,000 for charging excessive interest in consumer loans; company to repay \$900,000 to Oregon borrowers,” January 30, 2026 at . [Newsroom - Department of Consumer and Business Services](#)

ⁱⁱ Oregon Department of Consumer and Business Services Division of Financial Regulation, In the Matter of Wheels Financial Group, LLC Case No. OF-22-0040, Dec. 5, 2025 at [Wheels and WFG Final Order - SIGG \(002\).pdf](#)

ⁱⁱⁱ Press Release, District of Columbia Attorney General, “AG Racine Announces Nearly \$4 Million Settlement with Predatory Online Lender That Will Compensate Thousands of DC Consumers,” February 8, 2022, at [AG Racine Announces Nearly \\$4 Million Settlement with Predatory Online Lender That Will Compensate Thousands of District Consumers](#)

^{iv} Cross Complaint, Superior Court of the State of California, Opportunity Financial, LLC v. Clothilde Hewlett Case No. 22STCV08163, April 8, 2022 at [California Department of Financial Protection and Innovation-Cross-Complaint](#)

^v Factsheet, Center for Economic Integrity, “Stop Rent-A-Bank Lenders From Operating in Arizona,” January 2026 at [2026 AZ Factsheet Rent-A-Bank lenders](#)

^{vi} Press Release, Oregon Consumer Justice and the Center for Responsible Lending, “Oregon State Legislature Passes Bill to Stop Predatory High-Interest Loans,” March 5, 2026 at [Oregon State Legislature Passes Bill to Stop Predatory High-Interest Loans | OCJ](#)

^{vii} Press Release, National Consumer Law Center, “Another 100%+ APR Bank Seeks Trump Administration Approval,” April 29, 2026 at [Another 100%+ APR Bank Seeks Trump Administration Approval - NCLC](#)

^{viii} Press Release, National Consumer Law Center, “Feds Urged to Reject Bank Application that Would Greenlight Enova’s 100% APR Loans Nationwide,” April 23, 2026 at [Fed Urged to Reject Bank Application that Would Greenlight Enova’s 100% APR Loans Nationwide - NCLC](#). The letter to the Federal Reserve is posted at [. group-letter-enova-apr2026.pdf](#)

^{ix} Letter, CEI and over 100 Organizations, To Chair and Ranking Members of Senate Banking Committee and House Committee on Financial Institutions, Re: Oppose unaffordable 100%+ APR bank loans; support state and federal interest rate limits, May 7, 2026 at [Predatory Bank Loans Letter 5.7.26](#)

^x Letter, CEI, to Federal Reserve Re: Deny Enova’s national bank charter application, May 4, 2026 at