

August 4, 2021

Michael J. Hsu  
Acting Comptroller of the Currency  
Office of the Comptroller of the Currency  
400 7th St SW  
Washington, DC 20219

Re: Oportun's bank charter application; Application #2020-WECHARTER317993; Proposed Charter #25248

We the undersigned community, consumer, and civil rights organizations write to express serious concerns about Oportun's application to the Office of the Comptroller of the Currency (OCC) for a national bank charter.

Exactly one year ago, Oportun made headlines for grossly abusive debt collection practices, which is especially alarming given the company's stated focus on serving Latino, immigrant, and low-to-moderate income borrowers. ProPublica<sup>i</sup> and The Guardian<sup>ii</sup> published investigations of Oportun's sue-to-intimidate method and CRL has also conducted research on Oportun's collections practices<sup>iii</sup>. Key findings include:

- Oportun has been the top-filing debt collector in California since 2018;
- Oportun sues to intimidate its mostly Latino customer base; and
- Oportun made some changes to their debt collection model but not until they were the subject of public pressure, months after the onset of the coronavirus public health and economic crisis. Further, investigations found that Oportun did not cease legal collections, despite their stated promise, and they continued harassing the same low-income, mostly Latino consumer base throughout the pandemic.

These investigations uncovered problems including unaffordable loans, high volumes of collections suits, and abusive and intimidating debt collection tactics. Collectively, they raise substantial and serious questions regarding Oportun's application and protections for consumers. For the Latino and immigrant community, abusive debt collection leads to increased fear of deportation. For immigrants who have applied for US residency or US citizenship, a debt collection lawsuit can count as a negative factor in their application. Oportun has weaponized the legal system as their debt collector with zero regard to the impact on the Latino community that they purport to serve.

We urge the OCC to delay any action related to this application until the Consumer Financial Protection Bureau (CFPB) has completed their investigation of Oportun for abusive practices, including debt collection; and until Oportun implements program, policy and systems changes to ensure that such abuses will not continue and cause harm to Latino and immigrant borrowers. Finally, we request a meeting with you to discuss our concerns.

Sincerely,

## **National Organizations**

Americans for Financial Reform  
Center for Responsible Lending  
Consumer Federation of America  
League of United Latin American Citizens (LULAC)  
The Leadership Conference on Civil and Human Rights  
National Consumer Law Center, on behalf of its low income clients  
Public Good Law Center  
U.S. PIRG

## **State Organizations**

Alaska PIRG  
California LULAC  
California Reinvestment Coalition  
CALPIRG  
Coalition for Humane Immigrant Rights (CHIRLA)  
Consumer Federation of California  
Consumers for Auto Reliability and Safety  
Delaware Community Reinvestment Action Council, Inc.  
East LA Community Corporation, California  
Haven Neighborhood Services, California  
Jubilee Southern California member Dolores Welty  
Legal Aid Society of San Diego, Inc., California  
Missouri Faith Voices  
New Economics for Women, California

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<sup>i</sup> Collier, K.; Larson, R.; & Trevizo, P. August 2020. “The Loan Company That Sued Thousands of Low-Income Latinos During the Pandemic.” ProPublica. Available at <https://www.propublica.org/article/the-loan-company-that-sued-thousands-of-low-income-latinos-during-the-pandemic>.

<sup>ii</sup> Hosseini, R. August 2020. “Exclusive: The Litigious Debt Collectors Targeting Latinos During a Pandemic.” The Guardian. Available at <https://www.theguardian.com/us-news/2020/aug/02/opportun-loans-lawsuits-latino-small-claims-california>.

<sup>iii</sup> Barnard, J; Sidhu, K; & Torres, M. March 2021. “Suing-to-Intimidate: New Evidence Confirms that Oportun Abuses and Intimidates Families in Court to Collect Small-Dollar Loan Debts in California Courts.” Center for Responsible Lending. Available at <https://www.responsiblelending.org/sites/default/files/nodes/files/research-publication/crl-oportun-suing-to-intimidate-mar2021.pdf>.