SPPI Southwest Public Policy Institute

POLICY BRIEF
NOVEMBER 2026

Reject Price Controls on Credit

SPPI opposes interest-rate caps as price controls and urges regulators to evaluate qualified bank entry on the statutory record.

8,515
NET DECLINE IN FULL-SERVICE BANK OFFICES, JUNE 2020–JUNE 2026 [1]

131.4%
OPPFI ANNUALIZED AVERAGE YIELD, Q3 2026 [2]

52.6%
OPPFI ANNUALIZED NET CHARGE-OFFS / AVERAGE RECEIVABLES, Q3 2026 [2]

THE ISSUE

On November 3, 2026, OppFi withdrew its applications to the OCC, Federal Reserve and FDIC to acquire BNCCORP and BNC National Bank.[3] Its November 5 quarterly filing said the merger agreement remained in effect.[4] BNC is headquartered in Glendale, Arizona.[5] The applications were withdrawn; the record cited here does not establish an agency denial or a terminated merger.

The withdrawal followed Enova's September 14 withdrawal of its applications to acquire Grasshopper Bancorp.[6] Senators Elizabeth Warren and Chris Van Hollen welcomed both withdrawals, declaring, "Americans shouldn't have to pay triple-digit interest rates on loans".[7] Interest-rate caps are price controls, and we oppose them. Our published research argues that caps restrict credit for riskier borrowers while shifting it toward safer borrowers.[8] Warren and Van Hollen should explain how that advances financial inclusion. A legislative vote would not cure the economic defect.

Bank access deserves more than a victory statement. Our count of FDIC-insured full-service bank offices in the 50 states and District of Columbia fell from 81,669 in June 2020 to 73,154 in June 2026, a net decline of 8,515; the latest annual decline was 167.[1] Figure 1 shows the annual counts. These physical brick-and-mortar and retail offices include qualifying main offices. The counts measure the banking footprint, not unmet loan demand or either acquisition's effect.

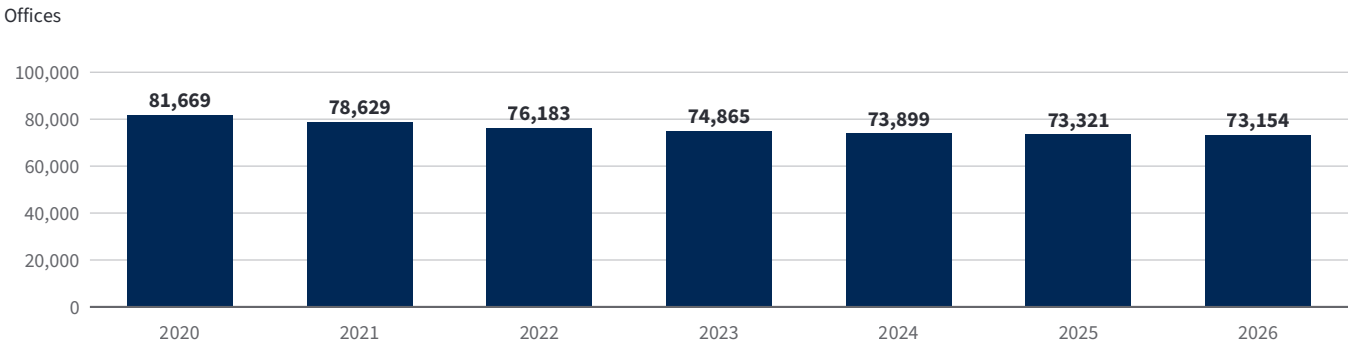
The price question also requires a cost denominator. OppFi reported a 131.4% annualized average yield and annualized net charge-offs equal to 52.6% of average receivables for Q3 2026.[2] Yield is revenue relative to receivables, not a profit margin; the charge-off measure is a dollar ratio, not the percentage of borrowers who default. In *Fifty-Five Percent*, we argued that pricing and credit losses must be examined together, while capital, compliance and community-needs concerns warrant substantive review.[9] The new figures do not establish that this acquisition qualified for approval.

The Bank Holding Company Act directs the Federal Reserve to consider competition, financial and managerial resources, community convenience and needs, anti-money-laundering effectiveness and financial stability.[10] We favor rigorous review that weighs qualified entry and identifies the statutory basis for an adverse decision.[8] Financial inclusion should be assessed through access, lawful lending and supervisory capacity. We oppose replacing those standards with a preferred price. Competition and qualified entry should guide the response to declining bank access.

WHAT WE RECOMMEND

1. **Reject interest-rate price controls.** Congress should reject national rate caps, and federal bank regulators should evaluate applications without imposing a rate ceiling as an additional approval condition.
2. **Decide applications on the statutory record.** The Federal Reserve should apply 12 U.S.C. § 1842(c),[10] the OCC and FDIC should apply their governing standards, and each agency should identify the statutory basis for any denial.[9]
3. **Weigh access and use workable conditions.** Federal bank regulators should weigh community credit needs and qualified entry,[8] using enforceable capital, compliance or community-reinvestment conditions where those conditions adequately address the identified risks.[9]

FIGURE 1 Full-service bank offices in the 50 states and District of Columbia, 2020–2026



SPPI calculations from FDIC (2020–2026), Summary of Deposits. June 30 snapshots; service types 11 and 12, including qualifying main offices. Credit unions excluded. Changes are net changes in counts, not gross closures.

SOURCES

1. *Federal Deposit Insurance Corporation (2020–2026).* Summary of Deposits. *June 30 annual snapshots; SPPI calculations from BankFind Suite data.*
2. *OppFi Inc. (2026).* OppFi Reports Third Quarter 2026 Results. *Form 8-K, Exhibit 99.1, October 28, Key Performance Metrics.*
3. *OppFi Inc. (2026).* OppFi Provides Update on Pending BNC Acquisition. *Form 8-K, Exhibit 99.1, November 3.*
4. *OppFi Inc. (2026).* Quarterly Report on Form 10-Q for the Quarter Ended September 30, 2026. *November 5, Note 17 and Management's Discussion and Analysis.*
5. *OppFi Inc. (2026).* OppFi Announces Definitive Agreement to Acquire BNCCORP, Inc. and BNC National Bank and the Elimination of Up-C Structure. *April 29.*
6. *Enova International, Inc. (2026).* Enova Withdraws Bank Regulatory Applications. *September 14.*
7. *U.S. Senate Committee on Banking, Housing, and Urban Affairs, minority (2026).* Warren, Van Hollen Joint Statement on Predatory Lender OppFi Withdrawing National Bank Application. *November 3.*
8. *Brenner, Patrick M. (2026).* Application Pending. *SPPI White Paper No. 10, August 3, Recommendations.*
9. *Brenner, Patrick M., and Gregory A. Schroeder (2026).* Fifty-Five Percent. *SPPI White Paper No. 11, August 15, Recommendations.*
10. *Bank Holding Company Act, 12 U.S.C. § 1842(c).*

Read more at southwestpolicy.com

202.505.1769 | info@southwestpolicy.com | Post Office Box 320035, Alexandria, VA 22320

SPPI