INDIANA COMMUNITY ACTION POVERTY INSTITUTE
Research and Public Policy

U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Scott and Ranking Member Warren:

On behalf of the Indiana Community Action Poverty Institute (Institute), the Indiana Community Action Association, and the hundreds of thousands of Hoosiers we serve annually, I am writing to advocate for a strong, responsive Consumer Financial Protection Bureau (CFPB).

As a program of the Indiana Community Action Association, the Institute hears from Hoosiers across Indiana about the challenges they face on the path to economic security. We advocate for policies that would allow every Hoosier to achieve and maintain financial well-being, making them better able to contribute to their families, communities, and the world.

In this year's community needs assessment, we heard from nearly 3,000 Hoosiers about their concerns. Affordable utilities, housing, and food were among the top challenges facing communities across Indiana. We also hear from Hoosiers who lack basic supports, like paid family and medical leave, that protect their income at critical life moments. When families lose income, they fall behind on basic needs. When families fall behind on basic needs, they are easy targets for predatory lending.

Christine from Richmond, Indiana, is just one of many. Her sister passed away suddenly, and she stepped in to adopt her sister's two children. Already living on a tight budget, she had to take several days off work without pay, putting her behind on bills. She reached for a lifeline that turned out to be an anchor. Christine came to us with a 720% APR loan from a tribal lender. The payments were crushing her and her ability to care for her sister's children, yet the loan balance was not budging. Complaining to the CFPB not only helped her terminate the illegal loan, but the CFPB also took up a lawsuit against that lender – until the Trump Administration installed new leadership and they dropped the case.

If our government is in the business of protecting lenders like that, what hope do regular people have? Now, when I am contacted by Hoosiers struggling to hold a financial institution accountable, I question whether or not to recommend turning to the CFPB. Bring back leadership that holds the interests of regular people at heart and funding that allows the agency to live its mission.

Sincerely,

Erin Macey

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