

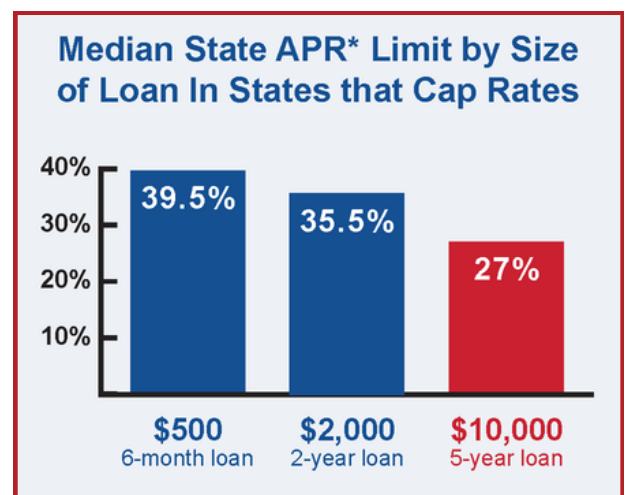
DEFEND AND STRENGTHEN INTEREST RATE LIMITS AND TRANSPARENCY



Strong bipartisan majorities support interest rate limits, which are the simplest and **most effective way to stop unaffordable lending**. Congress should defend and strengthen Federal and State interest rate limits and transparency to **help address the affordability crisis**.

OPPOSE THE EARNED WAGE ACCESS CONSUMER PROTECTION ACT:

Rep. Steill's discussion draft **guts protections** for high-cost payday loan apps. It **blocks state cost limits, eliminates the 36% rate cap** and other protections for military servicemembers, **and removes annual percentage rate (APR) disclosures** that apply to high-cost payday loan apps.



PREVENT A 100% APR NATIONAL BANK AND TELL THE OCC & FED TO DENY ENOVA AND OPPFI'S NATIONAL BANK APPLICATIONS:

National banks can charge any rate allowed in their home state, ignoring the limits of other states. National banks virtually never charge above 36% APR, but **the predatory lenders Enova and OppFi have sought permission to buy and thus become national banks**. Enova lends under the consumer brands NetCredit and CashNetUSA at up to **100% to 300% APR**. OppFi lends at **160% APR**. Both have chargeoffs over 50%.

If the Office of the Comptroller of the Currency and Federal Reserve Board approve either of these applications, they would be the **first national banks dedicated to making predatory loans**. States would have few if any options to challenge the new banks' high-rate loans, and those banks could also **facilitate predatory lending** by other nonbank lenders through partnerships.

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DEFEND STATES' RIGHT TO STOP PREDATORY LENDING BY OUT-OF-STATE, STATE-CHARTERED BANKS:

Oppose S. 3889 (Moreno), American Lending Fairness Act. States currently have the right to opt out of the law that allows state-chartered banks to ignore rate limits outside their home state. Iowa, Colorado, and recently Oregon have opted out to stop rent-a-bank schemes that enable nonbank lenders to charge 100% to 200% APR in states where those rates are prohibited. **S. 3889 would eliminate the opt-out right and prevent states from protecting their residents.**

45 states and
DC cap interest
rates



END THE BANK EXEMPTION FROM STATE INTEREST RATE LIMITS:

Support S. 3721 (Whitehouse), Empowering States' Rights to Protect Consumers Act. S. 3721 amends the federal laws that allow banks to ignore state interest rate laws and requires banks to comply with state rate caps.

ADOPT A FEDERAL 36% APR CAP:

Support S. 3793 (Reed), Predatory Lending Elimination Act. S. 3793 extends the protections of the Military Lending Act to veterans and other consumers and **caps interest rates at a maximum of 36% APR.**

- It applies to **all types of lenders**, including banks.
- Adopting a federal 36% rate cap would **stop predatory lending by payday lenders** and online installment lenders, and would **prevent banks – including Enova's proposed 100% APR bank – from making or enabling triple-digit APR loans.**
- Thirty-six percent is a high rate, but it would set a federal ceiling, allowing states to set lower interest rates, which is especially important for larger loans.