

# Faith for Just Lending

a call to end predatory payday lending

December 14, 2020

Dear Mr. Bynum and Members of the CFPB Agency Review Team,

As President-elect Biden and Vice President-elect Harris consider how to best protect American consumers, the Faith for Just Lending coalition respectfully requests a meeting with the Consumer Financial Protection Bureau (CFPB) Agency Review Team. Your decisions will directly impact the lives of millions of Americans, including the members of our churches and communities.

Faith for Just Lending is a broad coalition of Christian denominations and charities. Since our founding in 2015, we have called for an end to usury and predatory lending. We have worked to educate our members, and have provided public comments on proposed rules, constituent feedback and testimony at CFPB events in both the Obama and Trump administrations. We look forward to working with you to strengthen protection of consumers from unjust payday and auto title lending.

In the wake of the major economic disruption caused by the coronavirus pandemic, many Americans have lost their jobs, incomes, and social support. As so many of our neighbors struggle to survive, some unscrupulous lenders offer inappropriate loan products that promise easy money but deliver debt traps leading to even more suffering. We urge the new administration to use its authority to protect borrowers from exploitative payday and car title loans in its first 100 days, especially in light of the ongoing health pandemic.

After working with the CFPB since its inception, Faith for Just Lending gave our qualified support to the CFPB's "Payday, Vehicle Title, and Certain High-Cost Installment Loans" rule (CFPB-2019-0006) as finalized in 2017. This original rule sought to protect vulnerable individuals and families in times of financial crisis from debt traps designed around their inability – as opposed to ability – to repay their loan. The rule was carefully crafted based on extensive research over several years, considering both consumer and industry input.

Under the last administration, the payday rule was withdrawn before it went into effect. The Biden administration should commit to reinstating the rule with the ability to repay standard intact. Requiring a lender to make a determination of a borrower's ability to repay is a longstanding commonsense principle of the U.S. banking system. A strong rule must also have effective back-end protections against repeated flipping of the loans.

As a coalition we met regularly with Directors Cordray and Kraninger and high-level staff to ensure that the perspective and values of the faith community and the constituents we represent were considered in the CFPB's rulemaking and enforcement work. We welcome the opportunity to develop a relationship with the next Director as soon as the nominee is confirmed.

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As you consider candidates for the next CFPB Director role, please nominate a candidate who will:

- Prioritize relief for economically vulnerable consumers hardest hit by the COVID-19 crisis;
- Strongly support the mission of the CFPB and the important role it plays in consumer protection, including protection from predatory lending;
- Make the protection of consumers and communities the agency's top priority;
- Seek the perspective and testimonies of consumers themselves;
- Welcome input from diverse stakeholders including the faith community to whom so many financially struggling families often turn in times of need.

We value the role the Bureau plays in protecting consumers from financial predation and look forward to meeting with you to discuss how we can support your efforts.

Respectfully,

## Faith for Just Lending

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**Southern Baptist Ethics & Religious Liberty Commission**

**National Association of Evangelicals**

**National Latino Evangelical Coalition**

**National Baptist Convention, USA, Inc.**

**Cooperative Baptist Fellowship**

**Center for Public Justice**

**United States Conference of Catholic Bishops, Committee on Domestic Justice and Human Development**

**The Episcopal Church**

**Faith in Action**



THE ETHICS & RELIGIOUS  
LIBERTY COMMISSION  
OF THE SOUTHERN BAPTIST CONVENTION



COMMITTEE ON  
DOMESTIC JUSTICE AND  
HUMAN DEVELOPMENT

NAE | National Association of

**Evangelicals**



National Latino  
Evangelical Coalition



**FAITH IN ACTION**

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Fellowship

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THE CENTER FOR  
PUBLIC JUSTICE