FOR IMMEDIATE RELEASE
May 12, 2021
Press Contact: Katie Thompson katie.thompson@cpjustice.org 908-472-8820

Faith Leaders Applaud the U.S. Senate for Voting to Overturn OCC's Harmful Rule Enabling Predatory Lending

WASHINGTON, D.C. – Last night, the U.S. Senate voted 52-47 to overturn a rule put forth by the Office of the Comptroller of the Currency (OCC) that overrides state usury laws, legalizing predatory lending even in states that have outlawed it. The legislation now goes to the U.S. House, which has until the end of the legislative session to pass it.

The OCC's rule encourages payday lenders to partner with banks as the "true lender", a practice that would enable predatory lending across the country at 200% interest rates and more, even in states that protect consumers through a rate cap at or below 36%.

The **Center for Public Justice**, **Cooperative Baptist Fellowship**, **Faith in Action, National Association of Evangelicals**, **National Baptist Convention**, **USA, Inc., National Latino Evangelical Coalition**, **Southern Baptist Ethics & Religious Liberty Commission,** and **The Episcopal Church** – members of the **Faith for Just Lending** coalition – applaud the U.S. Senate for passing the Congressional Review Act resolution to repeal the true lender rule.

"We are grateful that the U.S. Senate has recognized the harmful impact this rule would have on borrowers, even in states that have strong consumer protections," said **Stephanie Summers**, CEO of the Center for Public Justice. "Government has a responsibility to prohibit unjust and deceptive lending practices, and we ask the U.S. House to uphold its responsibility by joining the Senate in overturning the OCC rule."

Over several decades, high-cost lending to those in need has increased significantly. Nearly 16,000 payday and car title loan stores operate nationwide. Taking advantage of loopholes and a weakening of traditional usury laws, many of these lenders now offer loans at 300% APR and higher. Far too often, the result is families trapped in a cycle of debt with even less ability to pay the bills, keep food on the table, save for the next emergency, or provide for their children. Currently 18 states and the District of Columbia have enacted rate caps to protect borrowers from usurious interest rates and fees.

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