



May 10, 2021

The Honorable Chuck Schumer
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Mitch McConnell
United States Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Sherrod Brown
Senate Committee on Banking, Housing,
and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Pat Toomey
Senate Committee on Banking, Housing,
and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

Re: Opposition to S.J.Res. 15 (Congressional Disapproval of OCC True Lender Rule)

Dear Majority Leader Schumer, Minority Leader McConnell, Chairman Brown, and Ranking Member Toomey:

On behalf of FreedomWorks and the millions of activists we represent nationwide, I write today to express our strong opposition to S.J.Res. 15, a joint resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Office of the Comptroller of Currency (OCC) relating to "National Banks and Federal Savings Associations as Lenders."

The OCC's 2020 True Lender Rule sought to provide regulatory certainty to banks and third party processors on who is the "true lender" when issuing short-term loans, and to support the availability of responsible credit for people who need it most. The Federal Reserve estimates that 76 million Americans only make enough to cover monthly expenses and cannot save for contingencies.

That's why short-term loans have been a lifeline to millions of families across our country. By repealing the True Lender Rule, not only would Congress be restricting access to quality credit, but Congress would be incentivizing individuals to turn to more expensive or harmful options, like bank overdrafts, late fees, or borrowing against their car or home.

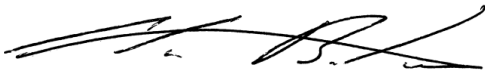
It is very difficult for individuals who don't have great credit to get a loan from a national bank. Nearly 30% of hardworking Americans are unbanked or underbanked and consumers with credit

scores under 680 are rejected for loans from banks at four times the rate as those with scores above 680.

This sounds a lot like the old saying that banks only lend to people who don't need a loan. That's why small community and minority banks, who may not have the technology or capital to compete with big banks, have stepped in and partnered with fintechs so that they can expand financial inclusion.

These loans have been a much-needed resource to underserved communities, and by repealing this rule, Congress would only be hurting the same communities they claim to protect. I urge you to support a free relationship between borrowers and lenders and to oppose the repeal of the True Lender Rule.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Brandon', with a stylized flourish at the end.

Adam Brandon
President, FreedomWorks

Cc: Members of the Senate Committee on Banking, Housing, and Urban Affairs