



May 11, 2021

Key Vote NO on the CRA to Disapprove of the OCC's 2020 True Lender Rule, S.J.Res. 15

On behalf of FreedomWorks' activist community, I urge you to contact your senator and ask him or her to vote NO on 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. Congress

should support a free relationship between borrowers and lenders and oppose the repeal of the True Lender Rule.

FreedomWorks will count the vote on S.J.Res. 15 on our 2021 Congressional Scorecard and reserves the right to score any amendments, motions, or other related votes. The scorecard is used to determine eligibility for the FreedomFighter Award, which recognizes members of the House and Senate who consistently vote to support economic freedom and individual liberty.

Sincerely,

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

Adam Brandon
President, FreedomWorks