



Support Payday and Auto Title Lending Reform Vote **FOR** the Truitt Bill Package **HB 2592 | HB 2593 | HB 2594**

Payday and auto title lending practices have trapped thousands of Texans in a never ending cycle of debt. **Currently these lenders** –

- operate completely outside Texas lending laws as credit repair businesses
- offer loans where borrowers regularly make payments but never reduce the amount owed
- avoid all accountability—no state oversight, no limits to rein in abusive lending practices, and no agency to respond to consumer complaints.
(The Attorney General and Consumer Credit Commissioner have received over 600 complaints since 2008)

Our faith compels us to speak out against this type of practice. Many of those caught in these loans turn to *our* churches for assistance.

These bills **together** contain important improvements over the current situation for borrowers as well as a recognition of the problems caused by these loan products. The language in the bills evolved from a process mediated by the University of Texas School of Law where consumer advocates and industry representatives worked together in an attempt to find common ground. We thank Chair Truitt for the dedication, time and staff commitment that this process has required.

HB 2593 is particularly important because it attacks the cycle of debt and provides tools for on-the-ground relief for families caught in these loans.

As written, the bills call for basic and reasonable provisions that would –

- **Limit the number of times that fees can be charged**
- **Require acceptance of partial payments of principal**
- **Give licensing, enforcement and examination authority** to the Office of Consumer Credit Commissioner (OCCC)
- **Require robust data collection and reporting** on a quarterly basis to the OCCC
- **Ensure full compliance** with state and federal fair debt collection laws
- **Allow for full enforcement** of the federal Military Lending Act

We respectfully ask that members **only accept amendments offered by Chair Truitt** and resist all other attempts to alter the very precise language in all three bills.

AUSTIN OFFICE

221 East 9th Street, Suite 410 • Austin, TX 78701

512.473.2288 • FAX 512.473.2707

Email: suzii.paynter@texasbaptists.org or stephen.reeves@texasbaptists.org

or anne.olson@texasbaptists.org

www.texasbaptists.org/clc