May 15, 2019

Director Kathleen Kraninger
Consumer Financial Protection Bureau
1700 G Street NW
Washington D.C. 20552

Re: Comments on Proposal to Rescind Ability-to-Repay Requirements Governing Payday, Vehicle
Title, and Certain High-Cost Installment Loans, Docket No. CFPB-2019-0006; RIN 3170-AA80

Dear Director Kraninger:

We, the undersigned Jewish organizations, submit this comment in strong opposition to the Consumer
Financial Protection Bureau's proposal to rescind the ability-to-repay standards. Jewish tradition
compels us to oppose this proposal that, if implemented, would allow lenders to exploit their customers.
Loans that a borrower cannot realistically repay do not help consumers and, instead, they are simple
stumbling blocks that prevent the poor from achieving financial stability.

For many Americans, access to credit and loans are necessary tools needed to help secure a home, buy a
car, or escape poverty. However, many people, particularly the poor, students, people in fixed incomes,
women, minorities, seniors, and military service personnel, are unable to obtain loans at competitive
rates on the prime market. These individuals are often exploited by predatory lending practices, resulting
in a loss of more than $8 billion per year.[1] This proposal is a significant step backwards in addressing
this challenge.

**We strongly oppose this proposal and urge the CFPB to implement basic ability-to-repay
standards.** Our sacred Jewish texts inspire us to protect those who are most vulnerable. The Book of
Exodus (22:24) states: "If you lend money to My people, to the poor among you, do not act toward them
as a creditor; exact no interest from them." These words remind us to guard against lending at high
interest rates that too often benefit the lender at the borrower's great expense. Jewish tradition also
teaches the imperative of "not putting a stumbling block before the blind" (Leviticus 19:14). Predatory
lending takes advantage of vulnerable people, hurting their credit and wellbeing, rather than providing a
compassionate lifeline for those in need. Fair loans should be a means of lifting up an individual, rather
than diminishing them by crippling them with debt.

Common sense rules requiring that borrowers are able to repay their loans will hold lenders to a basic
standard and ensure that families receive only those loans that are safe for them to incur. We know that
the CFPB has not disputed that the cycle of debt is unfair and abusive and that the CFPB has not
provided any evidence to support its proposal.[2] We have attached a 2016 comment from the Jewish
community supporting ability-to-repay standards and a recent report from the Center for Responsible

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[1] Standaert, Diane; Davis, Delvin; and Rios, Charla. 2019. *Payday and Car Title Lenders Drain Nearly $8 Billion in Fees
Every Year*. Durham, NC: Center for Responsible Lending. Retrieved from https://www.responsiblelending.org/research-
publication/payday-and-car-title-lenders-drain-8-billion-fees-every-year.
[2] Center for Responsible Lending. 2019. *Proposed Repeal of Payday Loan Rule: Overview and Initial Reaction*. Durham,
NC: Center for Responsible Lending. Retrieved from https://www.responsiblelending.org/research-publication/proposed-
repeal-payday-loan-rule-overview-initial-reaction.

Lending to support our comments and provide additional evidence and context about the predatory nature of payday loans and the importance of an ability-to-repay standard.

For all of these reasons, we urge you to withdraw the proposal and implement the October 2017 rule as written and without delay.

Sincerely,

Avodah
Bend the Arc Jewish Action
Brith Sholom Jewish Center
Carolina Jews for Justice
Central Conference of American Rabbis
Hebrew Free Loan Society
Jewish Community Action
Jewish Council for Public Affairs
Jewish Women International
National Council of Jewish Women
Rabbinical Assembly
Reconstructing Judaism
Reconstructionist Rabbinical Association
T'ruah: The Rabbinic Call for Human Rights
Union for Reform Judaism
Uri L'Tzedek: Orthodox Social Justice
The Workmen's Circle