



Hoosiers for Responsible Lending 2024 Policy Priorities

In 2021, over \$29 million was drained from Hoosier communities through finance charges on predatory payday loans. The true cost of these small dollar loans is often hidden.

Predatory loans financially destabilize families by hurting their credit, extracting their limited wealth, and sinking them deep into a cyclical debt trap. The Hoosiers for Responsible Lending coalition fights to put an end to loans and policies that target and trap vulnerable Hoosiers.

In 2024, the Hoosiers for Responsible Lending coalition will prioritize state and federal policies that reign in predatory small dollar lending, expand access to credit, and ensure strong consumer protection guardrails on financial services.

Reign in predatory small dollar lending

- Extend the 36% APR rate cap established by the federal Military Lending Act to veterans and all consumers
- Eliminate the 2-week product known as payday lending in favor of longer and more practical loan terms

Expand access to credit

- Encourage mechanisms and requirements to report positive credit
- Encourage private and public employers to offer responsible alternatives to payday loans as an employee benefit alongside financial education
- Support policies that promote safe alternatives to predatory lending products

Ensure strong consumer protection guardrails on financial services

- Maintain current caps on existing lending products, such as 25% on larger loans used for cars and home equity lines of credit
- Promote robust state and federal consumer protection rules and regulations, including through the Consumer Financial Protection Bureau's consumer education, rules, enforcement, and compliance