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Campaign to Stop the Debt Trap Announces Collection of Over 100,000 Public Comments in Support of Reining in Predatory Payday Lending Industry

Hundreds of Thousands of Americans Have Spoken Up Since Public Comment Period Opened on June 2

Washington, D.C. – Today, the Stop the Debt Trap campaign announced that so far, its public awareness and comment gathering effort had collected over 100,000 public comments since June 2 in its fight to end predatory lending in America. The campaign, comprised of over 500 consumer advocate, civil rights, faith and other groups, has been working to encourage the Consumer Financial Protection Bureau to issue a loophole-free rule to rein in the payday and car title loan industry, which preys on American consumers and traps them in cycles of debt.

Payday loans are among the most deceptive and predatory forms of credit on the market. Lenders prey on vulnerable people, locating disproportionately in neighborhoods with high populations of people of color, and use bait and switch tactics to trick people into borrowing money at interest levels that, on average, exceed 300 percent annually. With over 12 million people taking out payday loans every year, there are millions of Americans who are stuck in the payday loan trap.

The announcement of significant support from the American public came at the end of a two-day conference during which 80 advocates from 30 states gathered in Washington, D.C., to hear from CFPB Director Richard Cordray, policy experts and analysts, as well as share ideas for how to galvanize their communities against this usurious industry.

“The business model of payday lending is to push families down and keep them there. And now people have the opportunity to fight back. The CFPB is hearing from people who have experienced this firsthand, and from their friends and families,” said **Gynnie Robnett, payday campaign director at Americans for Financial Reform and director of the Stop the Debt Trap**

campaign. “Their message is clear: We need strong, loophole-proof rules to protect Americans from payday loan sharks and stop the debt trap. We’ll be working hard this summer to raise awareness about the dangers of this industry, build on this momentum, and encourage public comments to ensure a rule from the CFPB that is an ironclad protection of American families.”

The advocates spoke at a press conference on Wednesday afternoon, where they were joined by Rep. Maxine Waters, the ranking member of the House Banking Committee. At the press conference, advocates called on the American public to support the CFPB in its effort to protect American consumers.

Ollie Parham, the second vice president of the Alabama state conference of the NAACP and a former payday loan borrower herself said, “I am here today to share my concerns and story about payday loans ... When I fell on hard times and needed money quickly, I, like so many others, trusted that a loan would help improve my financial situation. But once I took that first loan, as so many others have learned, it was almost impossible to climb out of the debt trap, created by the interest rates and fees. I learned that living in debt is too often living in fear.”



Rep. Maxine Waters speaking at the press conference in support of reining in predatory payday lenders.

Faith leaders across this nation cannot stand idly while the economy steals from those who can least afford it,” said **Bishop Richard Howell, Pastor of Shiloh Temple International Ministries**

and Diocesan over the 7th Episcopal District of the Pentecostal Assemblies of the World, Inc.

“This is an unholy alliance of greed and legalized theft. But we know, history has shown us, that when faith communities come together, work together, and stand united across the struggle for human dignity, we can, and we will, move mountains.”



The press conference took place at the steps of the U.S. Capitol and featured a pit of despair that depicts what borrowers encounter when they take out payday loans.

The comment period is scheduled to end on September 14.

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The [Stop The Debt Trap](#) campaign is comprised of over 500 civil rights, consumer, labor, faith, veterans, seniors, and community organizations from all 50 states, including Americans for Financial Reform, the Center for Responsible Lending, National People’s Action, NCLR, the Leadership Conference for Civil and Human Rights, PICO, NAACP, the Consumer Federation of America, and Allied Progress. The campaign works to urge the Consumer Financial Protection Bureau to put rules in place to effectively stop the debt trap. Payday, car title, and high cost installment loans, with annual rates of 300 percent or more, dig borrowers into a dangerous hole of debt. The campaign believes it’s time to end the trap and put rules in place that will end these abusive practices. The [StopPaydayPredators.org](#) website is a project of the Stop the Debt Trap campaign. Check [Facebook](#) and [Twitter](#) for updates.