

October 6, 2016

The Honorable Richard Cordray  
Director, Consumer Financial Protection Bureau  
1700 G Street, NW  
Washington, DC 20552

Docket No: CFPB-2016-0025 or RIN 3170-AA40

Dear Director Cordray:

We thank you for the opportunity to comment on CFPB's proposed rule creating consumer protections for payday, vehicle title, and certain high-cost installment loans.

We, the undersigned consumer, labor, business, senior, economic justice, and community organizations from Maine, urge you to protect Maine's low-income families, especially women<sup>1</sup>, senior citizens<sup>2</sup>, minority families<sup>3</sup>, and veterans and members of our armed forces<sup>4</sup> who are the target of payday lenders.

Maine is a leader in consumer finance protection—capping interest rates and finance charges, requiring licensing and surety bonds, and mandating truth-in-lending. Yet, we still have too many illegal loans being issued in Maine by on-line and out-of-state companies who ignore our laws. We need to have a CFPB rule that strengthens and supports Maine's strong consumer protections.

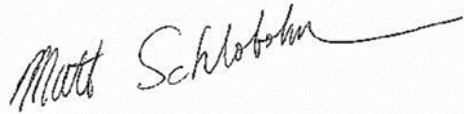
We urge you to adopt a rule that:

- Applies the ability to repay standards to all covered loans with no exceptions.
- Imposes a 60-day waiting period between loans, rather than the proposed 30 days.
- Includes a presumption of unaffordability if the borrower is delinquent by even one day or has not repaid 75% of the loan principle.
- Requires lenders to assess a borrower's basic living expenses as part of the ability to repay standard rather than to rely on default rates.
- Deems the making or offering loans in violation of our state laws an abusive practice.

Only a comprehensive federal framework, free of these loopholes, can supplement Maine's existing state protections and help stop our most vulnerable consumers from becoming trapped in debt they cannot repay.

Thank you for your consideration.

Sincerely,



Matt Schlobohm  
Executive Director  
Maine AFL-CIO



Laura Buxbaum  
Senior Vice President, Public Policy and Resource Development  
Coastal Enterprises, Inc.



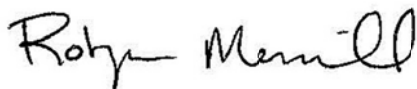
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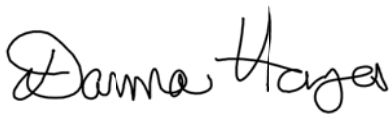
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Eloise Vitelli  
Director of Program and Policy Development  
New Ventures Maine

cc: Hon. Senator Susan Collins  
Hon. Senator Angus King  
Hon. Representative Chellie Pingree  
Hon. Representative Bruce Poliquin

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<sup>1</sup> Bhaskaran, Suparna, "Pinklining: How Wall Street's Predatory Products Pillage Women's Wealth, Opportunities, & Futures", June 2016, Available at:

[https://d3n8a8pro7vhmx.cloudfront.net/acceinstitute/pages/100/attachments/original/1466121052/acce\\_pinklining\\_VIEW.pdf?1466121052&utm\\_source=MECEP+Matters+July+2016&utm\\_campaign=July+2016+MECEP+Matters&utm\\_medium=email](https://d3n8a8pro7vhmx.cloudfront.net/acceinstitute/pages/100/attachments/original/1466121052/acce_pinklining_VIEW.pdf?1466121052&utm_source=MECEP+Matters+July+2016&utm_campaign=July+2016+MECEP+Matters&utm_medium=email)

<sup>2</sup> Center for Responsible Lending. "Bank Payday Loans Continue; Seniors Face Particular Risks," 2013. Available at: [http://www.responsiblelending.org/media/new-research-bank-payday-loans-continue?utm\\_source=MECEP+Matters+July+2016&utm\\_campaign=July+2016+MECEP+Matters&utm\\_medium=email](http://www.responsiblelending.org/media/new-research-bank-payday-loans-continue?utm_source=MECEP+Matters+July+2016&utm_campaign=July+2016+MECEP+Matters&utm_medium=email)

<sup>3</sup> Pew Charitable Trust. "Who Borrows, Where They Borrow, and Why," 2012. Available at:

[http://www.pewtrusts.org/~media/legacy/uploadedfiles/pca\\_assets/2012/pewpaydaylendingreportpdf.pdf](http://www.pewtrusts.org/~media/legacy/uploadedfiles/pca_assets/2012/pewpaydaylendingreportpdf.pdf)

<sup>4</sup> Center for Responsible Lending. "CRL, CRC Leaders: Honor Vets by Protecting Them from Payday Lending Scams," November 10, 2014. Available at: <http://www.responsiblelending.org/media/crl-crc-leaders-honor-vets-protecting-them-payday-lending-scams>