



August 10, 2016

Consumer Financial Protection Bureau
Attention Richard Cordray, Director
FederalRegisterComments@cfpb.gov

RE: Docket No. CFPB-2016-0025 – RIN 3170-AA40

Dear Director Cordray:

The Society of St. Vincent de Paul (SVdP) has been serving the needs of the poor and marginalized in Arizona for seventy years. Our 3,500 plus members in over 120 parishes regularly donate nearly a million volunteer hours a year serving almost two million of our fellow Arizonans with food and financial assistance.

A number of years ago it came to the attention of our members that a growing number of the individuals requesting assistance were experiencing financial difficulties directly linked to predatory lending. These loans created debt traps that were difficult and often impossible to escape. At that time the primary source of this type of lending was the growing number of companies marketing Pay Day loans to impoverished and vulnerable Arizonans.

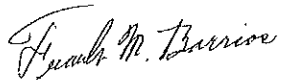
Due to the dedicated efforts of SVdP members and many other groups working with similarly situated clients, Pay Day lending was overwhelmingly defeated by Arizona voters in 2008 via Prop 200. Unfortunately, since that date there has been a massive growth in the auto title lending industry. Additionally there have been attempts in recent years to enable other types of predatory lending such as the recently advocated “flex loan” proposal, schemes which were defeated in 2015 and 2016. Although the Arizona legislature is no longer in session, we expect that another type of predatory lending scheme will be offered when the legislature goes back into session in January of 2017.

While SVdP in Arizona is grateful for the efforts expended by the Consumer Financial Protection Bureau (CFPB) in trying to regulate many of the most egregious and damaging effects of predatory lending, we are concerned that these efforts do not go far enough. We respectfully request that the CFPB consider the following enhancements to the proposed rule:

- Close all rule loopholes, such as the 72-hour delay in getting payment leverage
- Expand rules to cover all leveraged loans
- Require a determination of ability to repay on every covered loan
- Bank account protections should be strengthened to require reauthorization after three failed tries in a 12-month period

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Attention Richard Cordray, Director
Page 2

Thank you for your consideration of our concerns.

A handwritten signature in cursive script that reads "Frank M. Barrios".

Frank M. Barrios
President, Phoenix Diocesan Council
Society of St. Vincent de Paul

cc: Sheila Gilbert – President
National Council of the United States
Society of St. Vincent de Paul, USA

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