



**Re: Payday Loans, Vehicle Title Loans,  
Installment Loans, and Open-End Lines of  
Credit (Docket No. CFPB-2016-0026)**

September 19, 2016

Ms. Monica Jackson  
Office of the Executive Secretary  
Consumer Financial Protection Bureau  
1700 G Street, NW  
Washington, DC 20552  
**Submitted electronically**

Dear Ms. Jackson:

As principal of a project management company focused on enhancing economic and social impact for corporate, business and organization clients, I thank you for receiving this letter.

*Progress Strategies+, LLC* is an award-winning<sup>1</sup> socially responsible project management company with four client project areas of Corporate Social Responsibility, Diversity and Inclusion, Public Policy Advocacy and Grant Management. As I am also finalizing additional work and certification in Community Development Finance to provide alternative lending to disinvested communities who I have witnessed being harmed by payday lending, I commend you to my comments on the Consumer Financial Protecting Bureau (CFPB) proposed Payday Lending Rule:

I support the Concurrent Proposal that requires lenders to evaluate a potential borrower's Ability To Repay (ATR) a loan based on income, expenses and other essential considerations showing that they can receive a loan while meeting their current financial obligations. This requirement will greatly assist in not only addressing the unmanaged *amount* of negatively impactful and predatory loans, but also the multiple *number* of loans a borrower receives when a lender becomes required to give authentic consideration to that borrower's economic situation.

I also support the rule that requires ATR evaluations in a wide-range of lending tools that negatively impact marginalized communities such as Payday Loans, Deposit Advance Loans, Car Title Loans, etc. Lastly, while many states must do more in with usury caps, I affirm the rule's support of state usury caps and payment and withdrawal protections for the borrower.

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<sup>1</sup> *Progress Strategies+* awarded Sustainability Champion by Grand Valley State University for its values and work in social justice, economic empowerment and environmental stewardship.

I suggest the following improvements in the rule:

- Please reduce the amount of six payday loans under the exemption of the ability-to-repay requirement. With the nature of such lending tools and origination fees, six loans in a year that are unaffordable by their nature is still too many for an exemption of the ATR requirement.
- Please add protections that will end lenders from having unfortunate leverage to extract repayment from borrowers. More is required to have protections preventing a lender to have access to the borrower's checking account even after the first few days of the loan term and loans where the lender retains the right to garnish wages. Combined with the practice of wage-theft that I have worked with organizations and businesses in Grand Rapids, Michigan to address, current allowances for lenders to have extraordinary access to the fragile accounts of the working poor (because of employer's failure to pay workers) will enhance the economic insecurity of many vulnerable borrowers.

I am a committed and confident believer in the free market to promote prosperity. While aspects of the CFPB's proposed rule helps protect people in some free market activities, it can do more to ensure that their economic participation treats them in a fair and dignified manner. This can only be done by safely evaluating a borrower's ability to reply when being considered for loans and with lending conditions that do not take control of their accounts, resources or lives.

Thank you for considering more proposed changes and additional language in a good rule that the CFPB has developed.

Sincerely,

Eric K. Foster  
Principal, *Progress Strategies+*

**Strategies.** Not advice.

Project Management

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