

Senator Robertson offered the following resolution:

Senate Resolution No. 145.

A resolution to urge the United States Congress to repeal the rule on payday and certain other loans submitted by the Consumer Financial Protection Bureau.

Whereas, Numerous studies affirm the need for small-dollar, closed-end credit in communities across the country. Particularly in Michigan, demand is strong for more, not fewer, of these credit options. Additionally, lenders of the products employ thousands of workers nationwide, invest in their communities, and pay millions in local and state taxes. The industry is regulated by all 50 states, the District of Columbia, and Native American tribes; and

Whereas, On October 5, 2017, the Consumer Financial Protection Bureau (CFPB) finalized a controversial, complicated, and burdensome rule on payday and certain other loans that would effectively deny millions of hardworking people access to these consumer credit products. The rule purports to prescribe safeguards against predatory lending practices but actually will hurt the very people it intends to help—low-income consumers who have limited or spotty credit histories and few borrowing options during emergencies—through its onerous requirements; and

Whereas, Several advocacy organizations oppose the rule, including the Southern Christian Leadership Conference (SCLC), whose first president was civil rights giant the Reverend Dr. Martin Luther King Jr. Current SCLC president Charles J. Steele stated that "whether the CFPB likes it or not, the fact is that short-term, small-dollar lenders are often the only financial institutions willing to serve communities of color and poor people"; and

Whereas, A bipartisan group of many members of Congress introduced House Joint Resolution 122 to use Congressional Review Act authority to disapprove the CFPB rule and preclude the agency from issuing a similar edict in the future; now, therefore, be it

Resolved by the Senate, That we urge the United States Congress to repeal the rule on payday and certain other loans submitted by the Consumer Financial Protection Bureau; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.