

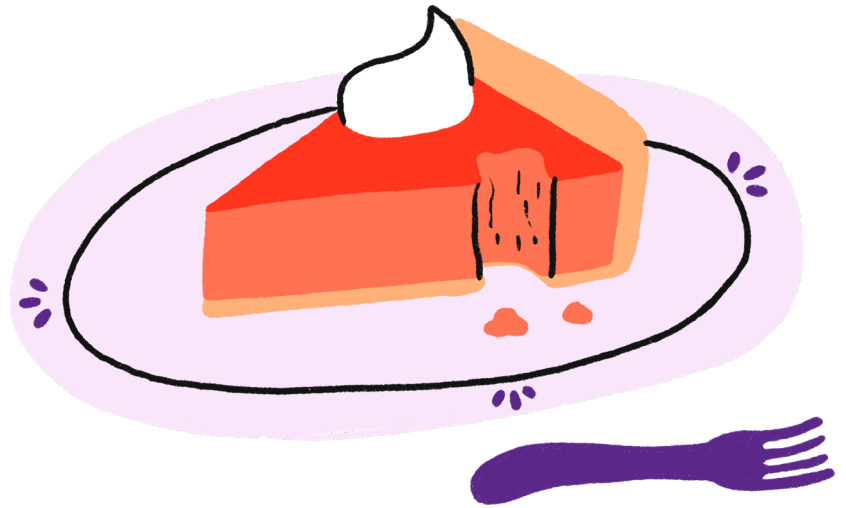


We all deserve to have what we need to put food on the table, pay for our families' everyday needs, and pursue our own goals in life. Predatory lending practices should not put us into debt in the process.

Pass HB 2083 to Limit the Yearly Interest Rates of Payday Loans

Predatory lending is a persistent threat to the material well-being of millions of Washingtonians, with the economic tumult of the last four years forcing many to use credit to meet short term obligations like rent, groceries, and utility payments.

Everyday people shouldn't have to go into debt to put food on the table.



Payday loans, in particular, are a seductive solution for struggling households. **The promise of quick money is swiftly dashed by the reality of high-interest rates and aggressive debt collection practices.** Payday loan creditors proliferate in poorer communities, siphoning away wages and locking people in a cycle of debt.

The Center for Responsible Lending notes that in 28 states – including Washington – “payday lenders market single-payment loans to families that can least afford it.” Lenders drain roughly \$2 billion in fees from these states, with annual APR rates topping out at nearly 400% in Washington.

Statewide Poverty Action Network is committed to helping working families secure additional gains from the Washington's social safety net, while keeping what they've earned through strong consumer protections. We support the financial health of our communities and call on Washington lawmakers to do the same.

We must cap payday loan interest rates, as several other states do, at 36%.

We must improve the financial literacy of everyday people by promoting visibility of less-predatory fiduciary options such as credit unions.