COMMUNITY FINANCIAL SERVICES ASSOCIATION OF AMERICA
A COMMUNITY OF RESPONSIBLE LENDERS

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On Behalf of the Community Financial Services Association of America

Before the
United States House of Representatives
Financial Institutions and Consumer Credit Subcommittee
Financial Services Committee
"Examining Regulatory Burdens on Non-Depository Financial Institutions"

April 15, 2015

I. Introduction

Chairman Neugebauer, Ranking Member Clay, and members of the Subcommittee thank you for inviting me to testify today. My name is Dennis Shaul, and I am Chief Executive Officer of The Community Financial Services Association of America (CFSA). I am here today to testify on behalf of our members, their thousands of employees, and the millions of customers who use our products.

CFSA was formed in 1999 to promote laws and regulations that protect consumers while preserving access to credit options and to support and encourage responsible practices within the payday loan industry. CFSA's member companies represent more than half of all traditional payday loan storefronts across the country, in more than 30 states. Our members provide payday loans to more than 19 million households, as well as a wide range of other financial products and services, including bill payment, check cashing, installment loans, prepaid debit cards, and tax preparation services.

Our members' storefront locations put us in the heart of many financially underserved and underbanked communities including rural and less populated areas, where credit options are not always readily available. CFSA members are heavily regulated. For nearly 20 years, individual states have worked with the industry to enact laws, and also to regulate the product through state supervision, licensing, and audit requirements. Requirements for a state license typically include a bond, background investigations and fingerprinting of company officials, evidence of industry experience, and minimum capitalization and liquidity requirements. State examinations monitor compliance with laws and regulations, and often include a review of loan agreements, customer files, federal and state disclosures, and collection procedures.

In addition, payday lenders are regulated at the federal level under supervision and rulemaking authority of the Consumer Financial Protection Bureau (CFPB or Bureau), and are subject to extensive examinations. Our members actively participate in the CFPB complaint resolution process and regularly invite CFPB employees to their stores to better learn about their products. Additionally, CFSA members are subject to enforcement of federal consumer financial laws by the Federal Trade Commission (FTC).

To serve our customers responsibly, CFSA has developed a set of 13 Best Practices that expect compliance with all applicable state and federal laws. Our members hold themselves to high standards, and we believe that these practices differentiate our members from other providers in the short-term credit industry.

As an economist and lawyer by training, I held several positions in public service and worked in the financial services industry for decades before joining CFSA. My prior work includes serving as Chief Financial Regulator in the state of Ohio, where I helped implement the states first consumer protection laws. Additionally, I served two assignments as a senior advisor to Rep. Barney Frank (D-MA). During that time, I was part of the drafting of the legislation leading to The Dodd–Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), which was created partly in response to the 2007-2008 financial crisis. I supported the creation of the CFPB, and over the past few years have been eager to collaborate with the Bureau to jointly work together in determining what are the best possible consumer protections for our customers.

However, I have often been disappointed by recent actions of the CFPB. Federal legislation that was intended to reform Wall Street has instead been interpreted by the Bureau in ways never intended by Congress ─ to the detriment ofconsumers. A law that was meant to improve accountability and transparency in the financial system and protect consumers is now being implemented in ways that are anything but transparent. Instead, the CFPB is using suspect and biased data and unpublished research products to support presumptive claims against disfavored nonbank financial products. Most concerning of all, the welfare of consumers does not appear to be the primary concern in CFPB's policymaking. The CFPB has proposed policy options that do not take into account the consequences they will have on consumers’ ability to access to credit.

In observing how the CFPB implements the Dodd-Frank Act, I am concerned that the Bureau has at times shown disregard for specific parameters laid out by Congress in the law. Specifically, the CFPB has shown no concern for the devastating impacts in its recent proposal for new rules covering payday lenders, vehicle title lenders, installment lenders and others will have on small businesses. This attitude is evident in the review of the proposal under the Small Business Regulatory Enforcement Fairness Act (SBREFA).[1] Furthermore, the CFPB has failed to follow the text in the statute and has overreached into areas not ever intended by the Dodd-Frank Act. For instance, Congress specifically prescribed into law that the CFPB has rulemaking authority over payday lending, yet the CFPB has combined its proposal forpayday loans with selected other products, such as title and installmant loans, while at the same time, ignoring

[1] Section 1100 G of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, 124 Stat. 2112 (July 21, 2010).

other like-products such as credit cards and overdraft products.[2] The CFPB has done this without producing any objective, empirical research or information explaining how consumers may use these products separately or interchangeably. In fact the CFPB proposal does not provide any research about how the proposal would impact small businesses. It appears that the CFPB is ignoring the Dodd-Frank Act's mandate to treat like products similarly, while instead picking winners and losers in the financial services marketplace.[3]

II. Consumers Choose and Appreciate the Payday Loan Product

The 2013 Federal Deposit Insurance Corporation (FDIC) National Survey of Unbanked and Underbanked Households found that 20 percent of U.S. households, or 24.8 million Americans, were underbanked in 2013, meaning that they had a bank account but also used alternative financial services (AFS) outside of the banking system.[4] These recent figures highlight the incontrovertible need for nonbank credit alternatives to serve the millions of consumers using these products.

Our customers know their budgets, and often use the credit provided to them to stay afloat between paychecks. Research from Columbia law school shows that consumers understand the product and can accurately predict how long it will take them to repay their loan.[5] Our customers often use a short-term loan to manage existing debt, such as to pay their utility bills or rent. According to Clarity Services Inc., 89 percent of the time, customer loan proceeds are used for a debt transfer rather than for a new debt. Quite simply, more often than not, the payday loan product is our customers' best or only option, and it is the customer who is best-positioned to know the type of credit that is suitable for their needs.

CFSA is proud of the fact that our customers value our product, and that they like and appreciate our store employees and managers. In fact, a recent survey of payday loan customers conducted by the international polling company, Harris Interactive, found that an overwhelming majority of borrowers are very satisfied or satisfied with their recent payday loan experience (91 percent), carefully weighed the risks and benefits before taking out a loan (93 percent), and value having the option to take a payday loan (95 percent).[6]

One of our biggest disappointments about the CFPB's lack of understanding and proper analysis of payday loan products is that our customers and employees are so often the ones without a voice in the debate. The comments and questions in support of our product from the dozens of customers and employees who have attended CFPB field hearings frequently go unanswered

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[2] Section 1024(a)(1)(E) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, 124 Stat. 2112 (July 21, 2010).

[3] Section 1033 (e)(1) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, 124 Stat. 2112 (July 21, 2010).

[4] Federal Deposit Insurance Corporation,"2013 FDIC National Survey of Unbanked and Underbanked Households," October 2014.

[5] Mann, R. (2013). "Assessing the Optimism of Payday Loan Borrowers." Columbia Law and Economics Working Paper No. 443, available at http://ssrn.com/abstract=2232954.

[6] Harris Interactive (2013) "Payday Loans and the Borrower," available at http://cfsaa.com/about-the-payday-advance-industry/survey-payday-loans-and-the-borrower-experience.aspx.

and unrecognized during CFPB policymaking. Attached is a sample of just some of the thousands of positive customer testimonials we have received.

For example, at the recent CFPB Field Hearing on payday lending in Richmond, Virginia, a customer named Shirley talked about her service as a state employee for 46 years and her appreciation for the payday product. Shirley stated that payday loans have been there for people she knows who needed help with healthcare costs, foreclosure costs, and in general when a credit score has precluded them from receiving a bank loan. Shirley stated at the hearing, "I just want to let everybody know that it's the greatest thing that could have ever happened to help people." Shirley was joined at the Richmond hearing by hundreds of other supporters of the product and more than 30 of them spoke positively about payday loan products during the audience participation portion of the hearing.

Despite the CFPB's presumptions that payday loan products harm consumers, the CFPB has produced no evidence to prove this. Instead, the CFPB relies on third-party studies that lack empirical, objective rigor, causing it to draw subjective conclusions. In fact, the vast majority of consumers have favorable outcomes from their use of small-dollar, short-term credit. Research has proven that consumers actually experience positive outcomes as a result of payday loans such as an increase in their credit scores.[7]

Despite the CFPB's claims that payday loans harm consumers, payday loan products continues to have a proportionately miniscule percentage of complaints compared to other types of products. According to the FTC's annual consumer complaint report in 2012, less than one percent of complaints in the "Banks and Lenders" category were about payday loans.[8] Even within the CFPB's own complaint data, it is clear that our businesses have far fewer complaints than those businesses of other financial products and services. In 2014 payday loans accounted for only one percent of complaints, and only one-tenth of those complaints were about storefront lenders.[9] In the CFPB's latest report released last month, once again payday loan complaints remain proportionately much lower than most other products and services, and this is also consistent with a continuously low number of complaints at the state level.[10]

III. CFPB's Payday Lending Proposal Outline for Small Businesses

On March 26, 2015, the CFPB announced it was considering proposing rules for payday, vehicle title, and similar loans and released a package of materials that outlines the proposals under consideration and alternatives that have been considered. At the same time, the Bureau published an outline of the proposals under consideration in preparation for convening a Small Business Review Panel under SBREFA to gather feedback from small lenders.

[7] *See* Priestley, J. (2014). "Payday Loan Rollovers and Consumer Welfare." available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2534628.; and Mann, R. (2015). "Do Defaults on Payday Loans Matter?" available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2560005.

[8] Federal Trade Commission, "Consumer Sentinel Network Data Book for January - December 2012" (February 2013).

[9] Consumer Response: A snapshot of Complaints Received, available at http://files.consumerfinance.gov/f/201407_cfpb_report_consumer-complaint-snapshot.pdf (July 2014).

[10] Consumer Response: A snapshot of Complaints Received, available at http://files.consumerfinance.gov/f/201503_cfpb_consumer-response-annual-report-2014.pdf (March 2015).

A. About SBREFA

Federal law requires federal agencies to evaluate the impacts of their proposed regulations on small entities, to consider alternatives that meet the regulatory goal while minimizing harm to small businesses, and to make the analysis available for public comment. The SBREFA also requires the Environmental Protection Agency, the Occupational Safety and Health Administration, and the CFPB to convene a review panel if the agency finds its proposed rule is likely to have a significant impact on a substantial number of small entities. The review panel's purpose is to receive input from entities that will be directly subject to the proposed rule on (1) the proposal's real-world impacts and compliance costs, and (2) any potential alternatives that would be less burdensome or costly while still accomplishing the agency's regulatory objectives.

A review panel convened under SBREFA consists of representatives from the CFPB, the Office of Advocacy of the Small Business Administration (SBA), and the Office of Information and Regulatory Affairs in the Office of Management and Budget. These agency officials meet with 15-25 individuals selected by the CFPB (called small entity representatives), in consultation with the SBA, for a dialogue about the effects of the potential rule and to explore alternatives that meet the regulatory objectives while minimizing harm to small business operators. After the SBREFA panel convenes, the CFPB prepares a report in the next 60 days with the findings from the panel, including responses to the comments of the small entity representatives.

B. CFSA Concerns for Small Business Owners and their Families

A central concern for the industry is the unprecedented impact the CFPB's proposal will have on small business owners, their employees, and customers. Within the SBREFA materials released, the CFPB acknowledges that its proposal would sharply reduce revenue for small businesses – and in our estimation would lead to the near annihilation of all small businesses in this industry. In its report the CFPB admits that small businesses will lose 69 to 84 percent of their loan volume, and we believe this is an underestimation.[11]

It is virtually unparalleled for an agency to openly indicate that there will be such a catastrophic impact on small businesses in a SBREFA proposal, and it gives us great concern that there is a lack of consideration for the many employees who will lose their jobs and their source of income. Throughout discussions and in the proposal the CFPB talks about industry "consolidation" which of course is a cleansed way of saying closing businesses. The CFPB even states, "Given those impacts, it is likely the case that the number of monoline stores that could operate profitably within a given geographic market would decrease. Some stores might diversify their product offerings, including offering other forms of covered loans, while others might

[11] Consumer Financial Protection Bureau, "Small Business Advisory Review Panel For Potential Rulemakings for Payday, Vehicle Title, and Similar Loans Outline of Proposals Under Consideration and Alternatives Considered," at p.45, available at http://files.consumerfinance.gov/f/201503_cfpb_outline-of-the-proposals-from-small-business-review-panel.pdf.

close. The proposals under consideration could, therefore, lead to substantial consolidation in the short-term payday and vehicle title lending market." [Proposal, pp. 45-46.]

Despite these sweeping statements and the dismissive references to harming small businesses, the CFPB indicates that it has failed to provide data from actual small businesses in developing the proposal. What data it has provided is based on large businesses and understates the adverse impacts on small lenders. It has also failed to analyze the impacts for each of the product lines that will be regulated.

There is no question that if implemented, the CFPB's proposal will lead to thousands of employees losing their jobs, health benefits, and the ability to support their families. Furthermore, there is no doubt that if the CFPB's proposal were to be finalized as proposed this would create a new adverse precedent for limiting access to consumer credit, ignoring the impact on middle class families and small business owners in the country.

IV. Limiting Access Will Hurt Consumers

There has been an abundance of research showing that when consumers' access to payday credit is limited, consumers do not stop borrowing; they switch to inferior substitute forms of credit – often products that are unlicensed, unregulated, and offshore.[12] Additionally, research shows that states that have banned payday lending have found that consumers end up worse off.[13] There is ample evidence that restricting access to payday loans may be counterproductive and harmful to consumers. It is imperative for the CFPB to conduct research and analysis about how consumers' welfare will be impacted by its proposal, and it must provide a more detailed cost-benefit analysis before moving forward with the current proposal.

CFSA recognizes that payday loans are just one of many tools in a consumer's financial toolbox, albeit a critically important one. As a Federal Reserve Board economist and his colleagues found, "initial payday loan applications occur precisely when consumers' access to liquidity from mainstream creditors is lowest."[14] Despite some good intentions, many opponents of our industry have supported restrictions that in reality leave the consumer worse off, and with less choice rather than more.

[12] *See* Goldin, J. and Homonoff, T. (2013). "Consumer borrowing after payday loan bans." available at http://scholar.princeton.edu/jgoldin/publications/consumer-borrowing-after-payday-loanbansReport_2670FS.pdf.); and Morgan, D.P., and Strain, M.R. (2008). "Payday Holiday: How Households Fare after Payday Credit Bans." Federal Reserve Bank of New York Staff Reports, no. 309, available at http://www.newyorkfed.org/research/staff_reports/sr309.pdf.)

[13] *See* Morgan, D.P., and Strain, M.R. (2008). "Payday Holiday: How Households Fare after Payday Credit Bans." Federal Reserve Bank of New York Staff Reports, no. 309, available at http://www.newyorkfed.org/research/staff_reports/sr309.pdf; Zinman, Jonathan (2009) "Restricting Consumer Credit Access: Household Survey Evidence on Effects Around the Oregon Rate Cap" available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1335438; and Desai, Chintal and Ellihausen, Gregory (2013) "The effect of state legislation restricting payday lending on consumer credit delinquencies: An investigation of the debt trap hypothesis" available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2418608.

[14] Bhutta, N.; Skiba, P.M.; and Tobacman, J. "Payday Loan Choices and Consequences," Vanderbilt University Law School Law & Economics Working Paper Number 12 – 30, January 25, 2013.

CFSA strongly opposes the numerous presumptions and conclusions drawn in CFPB's proposals, which do not have any basis in research or data. We urge the CFPB to start over again and work with us to better understand our small businesses, their employees, and the needs of our customers. The CFPB and consumers would both be better off if the Bureau begins a regulatory process properly equipped with research and data and an informed understanding of how consumers use our products.

In conclusion, we are fearful that the CFPB’s proposal is unduly burdensome on small businesses and will create job loss and financial instability for American families. Furthermore, the proposal would restrict access to credit for consumers, and limit the ability of our members to offer their products to families in their community. In turn, this would force consumers to turn to unsafe, unregulated and unlicensed forms of credit.

CFSA looks forward to working with Congress to help protect the livelihood of our small business owners who reside, and provide employment opportunities, in many of your districts. Thank you for inviting me here to testify today.

Customer #1 (from Alabama)

CFPB Payday Lending Field Hearing
January 19, 2012
Short-term credit customer (public testimony)
https://youtu.be/C2UlSsmHISI?t=1h46m29s
Name: LaDonna Banks
"Hello, my name is LaDonna Banks, and, I'm here on behalf of, actually needing a payday loan at one time. And when the gentleman said it has a lot to do with education or lack of that's not true. My situation was an emergency situation. I had a brother on life support that was very sick and needed a kidney and preparing and preplanning was not an option. Donating my kidney was and that's what I did. I donated the kidney to my brother and then the process for waiting for my short-term disability to kick in, I had a bridge of two and a half weeks that I had to get money in order to keep from getting $210 in bank fees. I borrowed the money. I paid the money back in two weeks. It was perfectly fine, and it was a need and a necessity for me at that time."

Customer #2 (from Arizona)
"I came in for a short term loans because my car broke down & Vanessa and Linda was a tremendous help. This allowed me the opportunity to get my car fixed so that I may continue with me business."

Customer #3 (from California)

"Short term loan has helped on a couple occasions. Short notice car repairs in order to keep vehicle running to get to work. Also during a medical emergency to allow wife to go to the hospital downstate with our daughter."

Customer #4 (from California)
"Payday loans are good when you are in a bind and need help. It's better than paying an overcharge fees the bank charges on every item you are overdrawn."

Customer #5 (from California)

"Payday loans have helped me with emergencies, like prescriptions for illness and absolutely do not have any cash. It could mean life or death in some circumstances pharmacies do not give free medicine"

Customer #6 (from California)
“It really helps to be able to get a loan when one cannot get one through a banking institution. I needed my truck repaired and would not have been able to if it had not been for the payday loan.”

Customer #7 (from Florida)

“The cash advance has been a huge help for me when I’m short on getting a bill paid like my water, electric and insurance payments. I use to be late on my bills when that happens but now with the cash advance, that never happens and I’ve saved a lot of money avoiding late fees.”

Customer #8 (from Florida)
"If ever I'm late on any of my bills like my electric bill, the cash advance is my best option in getting it paid fast so it doesn't get shut off. This helps us not to overdraw our bank account to it saves us from any kind of overdraft."

Customer #9 (from Florida)
“I’m self employed and sometimes I have to wait to be paid by my customers and the cash advance at times will help me get by while I'm waiting for those checks to come in. So at this time this our only option to help us out when we need it.”

Customer #10 (from Florida)
"I use the cash advance for pretty much everything whenever I need cash quick. It's primar used for when I have something due and it is due just before I get paid. If it weren't for this my late charges would be out the roof."

Customer #11 (from Florida)
"Being a single person the cash advance is my back up plan when I'm short on getting something paid or if I have and emergency that comes and I need some help. This keeps me from having to go to a family member or worse…pay late fees."

Customer #12 (from Florida)
“The cash advance gives me time to get my bills paid before my next monthly check comes in. The piece of mind is priceless. I much prefer using this service instead of putting things on my credit card where I may only make the minimum payments. So it forces me to say on top of my bills.”

Customer #13 (from Florida)
“The only thing I use the cash advance for is to help me out with my bills when I run short durring a particular month. I don’t really have a any other alternative due to my credit and the pawn shop is out of the question because of their high rates.”

Customer #14 (from Florida)
"I use the cash advance to make sure that I don't over draft my checking account because if I bounce a check it would cost $35. It's hard being a single mom and I have to keep up with my bills so this is my best avenue to get just a little bit of cash to put me over the edge."

Customer #15 (from Florida)
"Whenever I need some help because I'm short on a bill I use the cash advance to help me get it paid on time because the late fees are way more that what a cash advance costs. I don't have any idea what I would do without it. I would be late on so many bills and the late fees would pile up to the point that I would be even further behind."

Customer #16 (from Kansas)
“[payday loans] this helps in a lot of different ways. Interest rate is bad, but no worse than credit cards. What happened to free enterprise.”

Customer #17 (from Kansas)
"We do not have credit cards nor do we wany any. So if we have unexpected expenses like car repairs or doctor bills, it is nice to know we don't have to risk not paying a bill or rent. We would have not survived very easily these past few years w/o payday loans. When used responsibly they are a good thing."

Customer #18 (from Kentucky)
“On behalf of everyone thank you for doing business with my family at the time of are needs includes the following excellent service your company provides in a friendly and professional environment.

It enabled me to unexpected repairs on home due to the weather.

I am retired on monthly income and sometimes I might need a computer or printer

For my business, so it is handy to have your company nearby.

Please represent my right to choose which financial option makes the best sense for me.”

Customer #19 (from Tennessee)
"The payday loan I received helped me not to default on a bill during a time when my income had been cut. When my pay got back to normal I then payed off my payday loan. I believe that payday loans supply useful need in our society."

Customer #20 (from Tennessee)
“Do to my poor credit score I am not able to get a traditional credit line. This allows me to get the cash I need in order to pay for gas I need to operate a gas station auditing route.”

Customer #21 (from Tennessee)
“Overdrafted on account accidentally. Provided me ability to keep from paying added fees.”

Customer #22 (from Tennessee)

CFPB Payday Lending Field Hearing
March 25, 2014
Short-term credit customer (public testimony)
https://youtu.be/ZpnXG0UdeoQ?t=2h16m4s
Name: Jeanine

"Hello, I'm a payday loan consumer and have been for probably 10 or 12 years. And, um, I'd like to say it's always been extremely clear what the cost is of borrowing that money is. It can't be much simpler than you're going to borrow $200 and you're going to pay back $230. Um, I feel more abused by the banking industry who if I overdraft my bank account by $1 they'll charge me $35. I heard people talk about 400 percent interest, I'm pretty good with math but I can't even tell you what that interest rate would be. Um, nobody's talked about, you know the family who can't pay the electric bill. When the electricity bill gets turned off, they're going to be charged $150 to turn it back on. Um, nobody's concerned about those fees. And these are the kinds of things that I've had a payday loan work for me over the years. I've always know that I could rewrite that loan at a lower amount each time to pay it off if I couldn't pay it off in full. And I found that the people that work in the payday loan stores to be above and beyond to explain to me what I'm paying for the service they're giving and what other services they have available. Cause it isn't a one-size-fits-all. And they do have more than one product depending on what the situation might be for the consumer. So I think it would be a real disservice to the people who don't have real access to a pocket full of credit cards or a banker they can call for a personal loan to try to limit this industry. Because those are the people who need this service the most…"

Customer #23 (from Utah)

"Since my husband got sick and I am having to work 2 jobs, sometimes it's the only way to make it to the next paycheck. I get just enough to get the medicine my husband needs and to put food on the table. It works for me."

Customer #24 (from Utah)

“My son fell off our porch and received a head injury. He was life flighted to Primary Children’s Hospital. I had to pay a co pay of 200. My payday loan allowed me to do this and still pay my regular bills.”

Customer #25 (from Virginia)

CFPB Payday Lending Field Hearing
March 26, 2015
Short-term credit customer (public testimony)
https://youtu.be/a8f2700SiIY?t=9s
Name: Elvin
"Hi my name is Elvin. I'm a satisfied customer with Check City. I've been retired for 17 years. I've been banking with a credit union for 44 years, and when I had problems they wouldn't even give me a loan. And I'm still a customer of the credit union since 1970. So every now and then I went in to … it's been six years and I'm satisfied with everything that I get. When I need, all I have to do is go in there and talk to them. But they look at my application and look at my salary and after I sign all the papers about military. And every time they give me a short-term loan. I understand it. And that's the way I go. But in regular financial institutions they are not their brother's keeper and all ya'll know that. And I think ya'll need to get on these people that buy this debt, and do all this crazy stuff. I don't know if it's the payday loans themselves but it's the people they sell the debt to that do all this stuff. … but I've been a customer of a credit union for 44 years and when you have a hard time they don't want to talk to ya."

Customer #26 (from Virginia)

CFPB Payday Lending Field Hearing
March 26, 2015
Short-term credit customer (public testimony)
https://youtu.be/Ip4Tpin55wo?t=45m18s
Name: Miss Shirley
“Hello everyone, my name is Shirley. I’ve been at my job for 46 years with the state. But that’s irrelevant. I just wanted someone to know. Payday loan, title loan, and any other kind of loan that you can get, where you don’t have to worry about going into a bank and they telling you 600 and all this about a credit report when you done did 50 years and 30 years on paying a mortgage. What do you think about that? When the other thing was excellent, and everything was paid. Nobody get the credit. I have a cousin, who if it wasn’t for a payday loan she’d be dead. That’s right, it’s taken care of her chemo. Took care of my best friend’s foreclosure. Where was the bank back then? And that girl did 30 years with the state. When you got to go into a bank and you gotta care about your credit …what about my credit. My credit is awesome. And I thank God. But I just want to let everybody know that it’s the greatest thing that could have ever happen to help people…”

Customer #27 (from Virginia)
“[payday loan] It assisted me with repairs to my vehicles. I’m a business owner of a transportation service. It provided funds to do repairs in a timely manner. This allowed me to continue with my services to the customers. I service for employment purposes.”

Customer #28 (from Washington)

"Moneytree is very convenient, easy, fast – don't have to sit there and wait for days waiting to find out - like at a bank. The branch in Port Orchard is fantastic – I imagine the rest of them are the same way.

I know that if there is a situation, I don't have to wait for a FICO score or the embarrassment of not getting it from a bank. A tire's blown the kid needs something for school tomorrow – you've got a payday loan. It's for people who need the cash now, and can't afford the time or time away from work to get a loan from a bank.

I know the government wants to limit the number of loans we can take – but real life just happens. Unfortunately it happens. You pay one bill and then the water heater goes out. They don't want to wait to get paid. The government forgets about people that don't have the great credit scores. You're showing that you can pay stuff back – and you get the water heater repaired, new shoes for the kids to go to school in and you get it done.

They have limited the ability for myself and others to get the short term loans by limiting the number you can take. Real life happens. Banks limit and bases it all on a credit score – and that hurts everyone. It hurts the banks, it hurts consumers and it drives people to payday lenders. But I use these products because it's convenient. If I'm short on money for groceries – it's right there. It's convenient."