

OK Legislature attempting to create new predatory loan product

This March, the Oklahoma House of Representatives passed HB 1913 – a bill that would allow small installment loans to be offered with annual interest of 204 percent. Oklahoma law already allows for loans up to \$1,500, but at much lower cost. Right now, a \$1,500 loan paid over 12 months would have a maximum fee of \$254. If HB 1913 becomes law, that same loan could have interest charges as high as \$2,108! This bill is bad for Oklahoma - but it could be especially bad for veterans.

Predatory lenders establish storefronts in places that are near their ideal customer (a person with a regular income who struggles to meet regular expenses). You'll find payday loan shops clustered in low income neighborhoods and close to [military bases](#) – you'll also find clusters around [veterans' facilities](#). The Department of Defense has [strengthened its rules](#) about lending to active military, but those protections do not extend to veterans. And veterans are especially vulnerable to the predatory lending practices – veterans use payday loans at a rate that is [four times higher](#) than the national average.

Those pushing for these loans say Oklahomans need the choice of taking out this new product. But Oklahomans already have plentiful options. Too many veterans and others are already drowning in a sea of high cost credit; rather than throwing people a rope, HB 1913 would just shove them deeper under water.

So what can you do to stop this product in Oklahoma? Be active – let legislators know that these products are dangerous and you don't want them here. HB 1913 has been assigned to the Senate Business, Commerce, and Tourism Committee, and if the committee approves the bill it will move on to the full Senate.

- Contact Senator James Leewright, the Senate author of HB 1913 and express your opposition to the bill. You can reach Senator Leewright at leewright@oksenate.gov or (405) 521-5528.
- Contact your own state Senator and tell them why you oppose HB 1913. You [can find your Senator here](#). Be sure to tell them you are one of their constituents and a veteran. If you or someone you know has been affected by predatory lending please share your story.
- Talk to others about HB 1913 and encourage them to contact senators – our representatives need to know that these products are dangerous and Oklahomans don't want them.

For more information about HB 1913, visit the Oklahoma Policy Institute [website](#) or contact us at (918) 794-3944).