



Lt Gen Dana T. Atkins, USAF (Ret)
President and CEO

November 27, 2019

The Honorable Mike Crapo
Chairman
Senate Committee on Banking
SD-534 Dirksen Senate Office
Washington, DC 20510

The Honorable Maxine Waters
Chairwoman
House Financial Services Committee
4340 Thomas P. O'Neill, Jr. Federal Bldg.
Washington, DC 20024

The Honorable Sherrod Brown
Ranking Member
Senate Committee on Banking
SD-534 Dirksen Senate Office
Washington, DC 20510

The Honorable Patrick McHenry
Ranking Member
House Financial Services Committee
4340 Thomas P. O'Neill, Jr. Federal Bldg.
Washington, DC 20024

Dear Chairman Crapo, Chairwoman Waters, Ranking Member Brown, and
Ranking Member McHenry,

In response to the bipartisan *Veterans and Consumers Fair Credit Act* bills (H.R. 5050 and S. 2833) supported by a large majority of national military and veterans service organizations, MOAA is aware of concerns raised by a few organizations regarding access to credit and the use of the word “veterans” that we believe are important to address.

We strongly supported the initial passage of the Military Lending Act (MLA) in 2006. Our organization heard that some organizations have the concern that “military will lose access to credit”, an argument raised at the time of MLA’s introduction back in 2006. When the MLA was implemented the predicted loss of credit did not materialize. We recognize, as you do, that the use of such language can be a canard that is merely meant to slow down any meaningful attempt to rein in harmful products that are designed to keep borrowers trapped in a cycle of debt.

When examining states with similar rules as the MLA, the numbers are quite clear – in states that adopted interest caps for short-term, small-dollar lending, demand for healthier forms of credit has increased after the caps were put in place.

We have also heard concern related to the bill’s title and use of the term “veterans.” This concern distracts from the real issue of strengthening lending protections to the 20 million veterans, nearly one million servicemembers of the reserve components, and the 300,000 survivors—protections broader than the veteran population alone.

These fair and prudent protections should not cease for someone who transitions from active service to veteran status, loses a loved one in service, or who has not yet been called to active status. The expansion beyond those on active duty is the most admirable of the legislation's many great contributions to consumer protection and national security.

Sincerely,

Dana T. Jenkins