

CBF seeks to defend restrictions on predatory lending

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DECATUR, Ga.—The Cooperative Baptist Fellowship has asked to join litigation to defend regulation intended to restrict payday lending practices it considers predatory.

CBF is [requesting “intervenor” status](#) in a case filed by two payday lending industry associations challenging the Consumer Financial Protection Bureau rule that will strengthen protections for consumers against predatory lending tactics.

The rule is currently set to be implemented by August 19, 2019. However, since the bureau released the rule last October, the agency has changed its approach to consumer protection, including a plan to reconsider the rule as written.

CBF has [asked the court](#) to allow it to step into the shoes of a defendant and take the litigation steps necessary to defend the CFPB’s rule against the industry associations’ claims. The Public Citizen Litigation Group and the Equal Justice Center will represent CBF *pro bono*.

Two industry associations, the Community Financial Services Association of America and the Consumer Service Alliance of Texas [filed the case against the Consumer Financial Protection Bureau](#) in an Austin federal court in April.

The associations claim, among other things, the bureau did not follow proper procedure in issuing the rule; that it improperly deemed certain

lending practices unfair and abusive; that the agency's authority to address unfair and abusive practices is unconstitutional; and that the agency's structure is unconstitutional.

'A matter of faith for us'

"Payday lending is an industry that relies on products designed to be most profitable when borrowers fail," said Suzii Paynter, CBF executive coordinator. "CBF's leadership among the religious community to oppose predatory lending is a matter of faith for us. We are called to bolster human dignity, not diminish it, and to support people created in the image of God, not undermine their flourishing."

Stephen Reeves, associate coordinator of partnerships and advocacy, added: "Advocates in CBF life have worked for years against predatory lending practices, including support of the CFPB. It is wrong to take advantage of others when they're desperate. This rule is the best hope we have right now to reform these practices nationwide. People of faith should do all we can to stop the abuse of our neighbors for profit. If the CFPB won't defend its own work, we will."



CBF Moderator Gary Dollar said the Fellowship's governing board affirms the national role CBF is playing to stop predatory lending practices and the effort to seek intervenor status.

"I'm proud that the work of our churches, pastors, field personnel and advocates has resulted in this opportunity to intervene," Dollar said. "We are motivated because of the harm these bad loans do to vulnerable people and communities. In this moment, our faith requires us to stand up and defend the rule created to protect families, even when others will not."

‘This must change’

Scarlette Jasper, CBF field worker in McCreary and Pulaski counties and other parts of Kentucky, has been an advocate for her neighbors struggling to make ends meet for years. She provides group workshops and one-on-one financial education that focuses on budgeting and other sustainable financial management skills, and warns people about the pitfalls of payday loans, as part of CBF’s rural development coalition, Together for Hope. She also is developing a micro-loan program as an alternative for these families.

“Families need a place to go for financial assistance, but they do not need to be taken advantage of,” Jasper said. “These companies prey on the elderly, disabled, and the working poor. This must change, and with the support of CBF and others who speak out against lenders’ harmful practices, I pray that it will.”

Steven Porter, coordinator of CBF Global Missions, noted he “saw firsthand those victimized by predatory lending” when he was a CBF field worker.

“The Bible condemns the exploitation of poor people,” he said, calling efforts to reform lending practices that target the poor “mission work that takes Jesus at his word.”

For more information, click [here](#).