

September 5, 2018

Secretary James N. Mattis  
US Department of Defense  
1000 Defense Pentagon  
Washington, DC 20301-1000

Acting Director Mick Mulvaney  
Consumer Financial Protection Bureau  
1700 G St. N.W.  
Washington, D.C. 20552

Dear Secretary Mattis and Acting Director Mulvaney:

The undersigned military and veterans service organizations, representing millions of current and former servicemembers and their families and survivors, write to urge continued strong enforcement and supervision of the Military Lending Act, and to stand against any attempts to undermine or weaken it.

Broad bipartisan support led to the enactment of the Military Lending Act. Recognizing the risk to military readiness when servicemembers are targeted for high interest rates, Congress chose to cap the interest rate to servicemembers at 36%.

Servicemembers and their families suffer harm when predatory lenders target them with financial fraud and extremely high interest rates. As you know, maps of the location of payday lenders have shown they surround military bases and target the troops.

But the harm is not only to servicemembers. The harm also extends to the Pentagon's costs and military readiness. The Defense Department has explained:

“[T]he anticipated benefit of [ensuring the Military Lending Act's 36% interest rate cap] are the savings attributable to lower recruiting and training expenses associated with the reduction in involuntary separation of Service members where financial distress is a contributing factor. Each separation of a Service member is estimated to cost the Department \$58,250, and the Department estimates that each year approximately 4,640 to 7,580 Service members are involuntarily separated where financial distress is a contributing factor. If the Department's proposed regulation could reduce the annual number of involuntary separations where financial distress is a contributing factor from between 5 to 30 percent, the savings to the Department could be in the range of approximately \$13.51 million to \$132.52 million each year.”<sup>1</sup>

We urge you to stand with the troops and against any attempt to weaken the Military Lending Act, including the Bureau's supervisory and enforcement authority and the Department's rules against predatory lending by all businesses, including by car dealerships.

Thank you.


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<sup>1</sup> 80 FR 43559 (July 22, 2015)

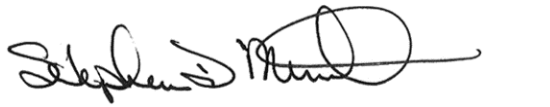
Sincerely,


  
Air Force Sergeants Association

  
Air Force Women Officers  
Associated

  
Ted Painter  
Armed Forces Retirees Association  
National Military and Veterans Alliance

  
AMVETS

  
Army Aviation Association of America

  
Association of the United States Navy

  
Blue Star Families

  
Coast Guard Chief Petty Officers Association



Code of Support

  
Commissioned Officers Assn. of the US Public  
Health Service, Inc

  
Fleet Reserve Association





High Ground Advocacy

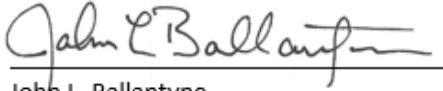
  
Iraq & Afghanistan Veterans  
of America



Ivy League Veterans Council

  
Jewish War Veterans of the USA

  
The Military Chaplains Assn. of the USA



John L. Ballantyne  
Senior Vice President and Chief Operating Officer  
Military Child Education Coalition



Dana T. Atkins  
Military Officers Association of America



MILITARY ORDER OF THE PURPLE HEART

Juliana Mercer  
MVPvets



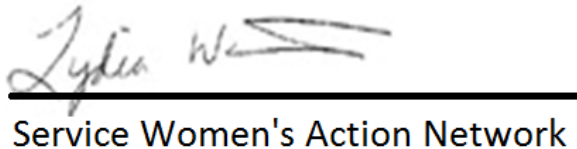
Phil Gore  
Legislative Director  
National Association of Veterans' Program Administrators



Joyce Wessel Lager  
National Military Family Association



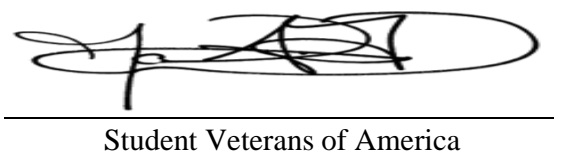
Michael P. Hyatt  
Naval Enlisted Reserve Assn.



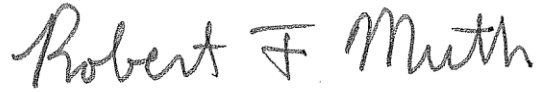
Lydia W.  
Service Women's Action Network



Non Commissioned Officers Assn.  
of the United States of America



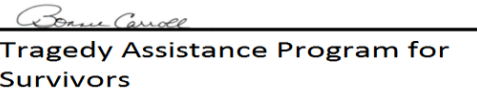
Student Veterans of America



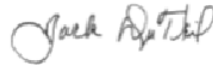
San Diego University Veterans Law Clinic



The Retired Enlisted Association



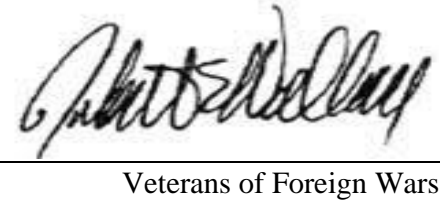
Bonnie Canale  
Tragedy Assistance Program for  
Survivors



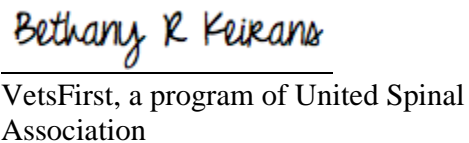
US Army Warrant Officers Assn.



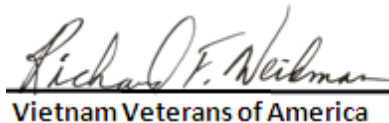
Michael Spindler  
Veterans Education Success



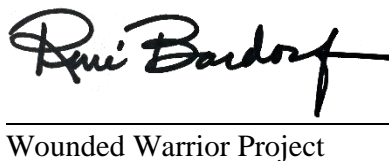
Robert Wallace  
Veterans of Foreign Wars



Bethany R. Keirans  
VetsFirst, a program of United Spinal  
Association



Richard F. Neilman  
Vietnam Veterans of America



Rami Bardorf  
Wounded Warrior Project

cc: White House Chief of Staff John Kelly, Members of the US Senate Armed Services Committee, US House Armed Services Committee, US Senate Banking Committee, and US House Financial Services Committee, Speaker of the House, US House Minority Leader, US Senate Majority & Minority Leaders.