

**Congress of the United States**  
**Washington, DC 20515**

August 17, 2018

Mick Mulvaney  
Acting Director  
Consumer Financial Protection Bureau  
1700 G Street, NW  
Washington, DC 20552

Dear Director Mulvaney:

As Members of the House Armed Services Committee, we write to express serious concern regarding reports that the Consumer Financial Protection Bureau (CFPB) plans to exclude the Military Lending Act (MLA) from its routine examinations of lenders. Such steps eschew the agency's clear responsibility to protect servicemembers and their families from predatory lenders. CFPB has both the authority and the duty to proactively supervise and fully enforce the MLA. As such, we request that you immediately halt this misguided change in practice and instead continue to defend servicemembers and their families.

Congress gave CFPB the authority and the tools to crack down on unscrupulous and predatory lenders who prey on Members of the Armed Forces and their families. Regular supervisory examinations are one of the strongest tools in the agency's toolkit to protect those who risk their lives to protect us. The past half-decade is replete with examples of CFPB holding bad actors to account as a result of investigations and enforcement actions that began as routine examinations. According to news reports, since 2011, CFPB has returned more than \$130 million to servicemembers, their families, and our nation's veterans. From payday lenders to Wall Street banks, the financial services industry knows that it must refrain from taking advantage of men and women in uniform or suffer the consequences.

Now, in the wake of lobbying from the payday lending industry and their allies, CFPB is reportedly planning to remove this vital check on industry abuse. This belies logic and is an abrogation of Congress's intent. As you know, among numerous other protections, the MLA caps the annual interest rate that can be charged to servicemembers and their families at thirty-six percent. Weaker oversight has the potential to allow deceitful lenders to ignore this protection, charging Soldiers, Sailors, Airmen, and Marines sky-high interest rates that trap them in an endless cycle of debt. Instead of taking proactive steps to prevent predatory actions from taking place, CFPB is choosing to allow violations of the MLA to occur and only then take action, after there has already been harm. Such action is contrary to the very purpose of the CFPB and the MLA.

We therefore urge you to recommit CFPB to providing servicemembers and their families the consumer protections they deserve by continuing to include the MLA as part of the CFPB's routine examinations of lenders. We, including the CFPB, owe it to our men and women in

uniform to honor our duty in the same way they honor theirs.

Sincerely,



Jacky Rosen  
Member of Congress



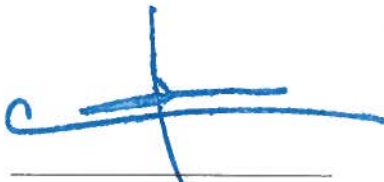
Seth Moulton  
Member of Congress



Rick Larsen  
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Beto O'Rourke  
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Colleen Hanabusa  
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Tulsi Gabbard  
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A. Donald McEachin  
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Anthony G. Brown  
Member of Congress



Ruben Gallego  
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Tom O'Halleran  
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*Carol Shea-Porter*

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