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ATTORNEY GENERAL MADIGAN URGES CONGRESS TO REJECT LEGISLATION TO LIMIT STATES' POWER TO REIN IN PREDATORY LENDING

Madigan & 19 Attorneys General Urge Congress to Reject HR 3299 & HR 4439

Chicago — Attorney General Lisa Madigan joined with 19 attorneys general to urge Congress to reject legislation that would limit the states' ability to crack down on predatory payday loans and other high interest loans.

Madigan and the other attorneys general sent a [letter](#) to Congressional leadership to vote against HR 3299, the Protecting Consumers' Access to Credit Act of 2017, and HR 4439, the Modernizing Credit Opportunities Act, which together would invalidate the states' ability to limit interest rates on payday and other high interest loans and undermine the states' ability to enforce consumer protection laws.

"For years, I have fought to stop predatory lenders from preying on Illinois consumers with high interest, short-term loans that trap them in an unending cycle of debt," Madigan said. "Congress must not restrict our ability to pursue lending abuses because the states are usually the only ones taking action to protect consumers."

In their letter, Madigan and the other attorneys general said HR 3299 and HR 4439 would constitute a substantial expansion of the preemption of state usury laws, which have long been recognized as the purview of the individual states. Over decades, states have crafted laws that create a careful balance between the need for access to credit and the need to ensure that loans are offered on terms that do not harm consumers.

Joining Madigan in sending the letter to Congress were the attorneys general from: California, Colorado, the District of Columbia, Hawaii, Iowa, Maryland, Massachusetts, Minnesota, Mississippi, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Tennessee, Vermont, Virginia and Washington.

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