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PATRICK J. VERSCHOORE
STATE REPRESENTATIVE
72ND DISTRICT

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May 20, 2013

Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency
400 7th Street, SW, Suite 3E-218
Mail Stop 9W-11
Washington, DC 20219

Robert E. Feldman
Executive Secretary
Attn: Comments
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, DC 20429

RE: Docket ID OCC-2013-0005: Proposed Guidance on Deposit Advance Products
Federal deposit Insurance Corporation 6714-01-P

To Whom It May Concern:

I write to express my views regarding the Office of the Comptroller of the Currency (OCC) and Federal Deposit Insurance Corporation's (FDIC) recently proposed guidance on bank deposit advance products and to encourage the agencies to carefully consider American consumer's need for a range of reliable short-term credit options. In particular, the agencies must closely examine any potential consequences of such regulation on consumers' ability to access credit when they need it. Consumers want and benefit from having more alternatives, not fewer, and this need is better served in a competitive marketplace.

The need for short-term small dollar lending is clear. Millions of Americans continue to struggle to make ends meet, driving a need and demand for short-term credit.

- A recent report from the National Bureau of Economic Research (NBER) found that one in four Americans have used various forms of short-term credit – payday loans, auto title loans, and similar services – over the last five years.
- These short-term credit options help consumers manage shortfalls and avoid late payment fees, damage to credit scores or a loss of critical services such as utilities and healthcare.
- Consumers clearly need and value these options, using them as many times as they need to – and only as many times as they need to – in order to bridge a gap in their finances.

In answering the call to public service, we make a commitment to protect our constituents and all Americans, and to look out for their best interests through fair and balanced policymaking and enforcement. I encourage the OCC and FDIC to carefully consider consumers' short-term credit experience and perspective, with an eye toward rulemaking that consistently and fairly regulates the services consumers depend upon – from cash advances to overdraft protection – while preserving the important role of short-term credit in the American economy and empowering consumers to make sensible financial decisions.

Sincerely,

A handwritten signature in black ink that reads "Patrick Verschoore".

Patrick Verschoore
State Representative
72nd District