



May 19, 2017

The Honorable Jesse Hamilton, NYS Senate Banks Chairman  
The Honorable Joseph Morelle, NYS Assembly Majority Leader

Via Email

Dear Senator Hamilton and Assemblymember Morelle:

We understand that the New York Legislature is considering a proposal for a pilot program (A.6511 / S.5711) that would create an exception to New York's criminal usury law, among other things. A bill to create a virtually identical pilot program in Florida failed in our recently concluded 2017 legislative session (SB 872/HB 595) and also failed last year in the Florida 2016 session (SB 1696/HB 1425).

We are writing because we wish to clarify certain representations that we understand are being made to win support for the New York bill. Specifically, we understand that proponents of the New York bill have described Florida groups as supportive of the legislative effort in our state.

Our organizations actively opposed this proposal when it came before the Florida legislature this year, because of serious concerns we have regarding the costs of the proposed loans and insufficient safeguards in the bill to ensure their affordability. We are unaware of any groups supporting the pilot program before the Florida legislature. In fact, Florida NAACP, Florida Legal Services, and Florida AARP also joined us in raising their opposition to the bill in committee.

We believe New York State is fortunate to have strong usury laws that keep predatory payday lending out of the state. Indeed, many of our groups are fighting hard to win similar consumer protections here in Florida. Based on our direct experience with payday lenders, we would caution New York against weakening its strong usury laws -- which are recognized as the best line of defense against predatory payday lending.

Sincerely,

Alice Vickers  
Director  
FLORIDA ALLIANCE FOR CONSUMER PROTECTION

Marucci Guzmán  
Executive Director  
LATINO LEADERSHIP, INC.

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cc: Andy Morrison, New Economy Project