

## STOP THE DEBT TRAP

# SUPPORT SB 104 / HB 1098

**SB 104: AUTHORED BY SENATORS WALKER, MESSMER, TOMES, BECKER, KRUSE,  
RUCKELSHAUS, BREAUX, & STOOPS**  
**HB 1098: AUTHORED BY REP. HAMILTON**

- Ⓐ This legislation would put a 36% cap on payday loans to cut down on predatory lending that traps low-income consumers in debt
- Ⓐ These loans, offered at triple digit interest rates, destabilize Hoosier families and communities
- Ⓐ The median income of a payday borrower is \$22,476; and 69 percent use it - not for emergency, but to cover a recurring expense, such as utilities or rent
- Ⓐ Data shows payday borrowers are 4 times more likely to file for bankruptcy; our state has the 8th highest rate for bankruptcy filings in the nation
- Ⓐ This legislation is the most effective way to protect borrowers from from online and retail predatory loans as we have seen in the 16 states that now have caps at 36% or less
- Ⓐ This is the rate Congress imposed to protect active duty military members. It allows for wide access to credit without incentivizing loans to distressed borrowers, unable to repay
- Ⓐ Polling shows 88 percent of Hoosiers support a 36 percent rate cap for payday loans, even after hearing arguments in support of the industry

