



May 26, 2015

The Honorable John Hickenlooper  
Governor of Colorado  
State Capitol  
200 E. Colfax Ave  
Denver, CO 80203

**Re: HB 1390 – Relating to interest rate brackets for consumer credit transactions**

Dear Governor Hickenlooper:

I write on behalf of the American Financial Services Association (AFSA)<sup>1</sup> in support of HB 1390, which would enact a much-needed update to dollar limits on the interest rate brackets that are more than 15 years old for small consumer credit transactions. HB 1390 passed the legislature with bipartisan support and would change the dollar limits on the interest rate brackets currently permitted for small consumer credit transactions and ensure the availability of responsible, affordable credit for Colorado consumers.

Borrowers in Colorado have limited options for well-structured smaller loans compared to many other states, and those options have further decreased recently as consumer lending locations around the state have closed due to the rising cost and difficulty of doing business in the state. Without HB 1390 this trend may continue, and consumers may be left to turn to payday lenders, title lenders, or pawn shops to secure credit they need; these loans are much less preferable, less safe, forms of lending than the traditional installment loans offered by AFSA members. By updating the dollar limits on the interest rates currently allowed for small consumer loans, HB 1390 will allow lenders who remain in the state to offer loans at amounts that more accurately reflect the cost of providing the loan and, ultimately, make more credit available to consumers.

HB 1390 effectively balances the needs of lenders and borrowers by keeping safe, responsible consumer credit both available and affordable. We respectfully urge you to sign HB 1390 and ensure the availability of credit for Colorado consumers. If you have further questions, I can be contacted by phone 952-922-6500 or email [dfagre@afsamail.org](mailto:dfagre@afsamail.org).

Thank you for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to read "Danielle Fagre Arlowe", written in a cursive style.

Danielle Fagre Arlowe  
Senior Vice President  
American Financial Services Association  
919 Eighteenth Street, NW, Suite 300  
Washington, DC 20006-5517

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<sup>1</sup> The American Financial Services Association is the national trade association for the consumer credit industry, protecting access to credit and consumer choice. AFSA member financial institutions offer traditional installment loans, vehicle financing, payment cards, and mortgages. The Association encourages and maintains ethical business practices and supports financial education for consumers of all ages.