

July 1, 2020

The Honorable James Inhofe  
Chairman  
Committee on Armed Services  
United States Senate  
Washington, DC 20510

Dear Chairman Inhofe:

The American Financial Services Association (AFSA)<sup>1</sup> supports the S. 4049, the National Defense Authorization Act for Fiscal Year 2021 (NDAA). The legislation will authorize \$740.5 billion in spending for national defense commitments at home and abroad, strengthen and advance the National Defense Strategy, and provide spending within levels set by the 2019 Bipartisan Budget Agreement. AFSA appreciates the commitment to the protection and well-being of our military personnel, veterans, and their families.


We have consistently embraced the goals of the Military Lending Act (MLA) and the Servicemembers Civil Relief Act (SCRA) to provide protections for our military and their families. We strongly support financial education. The AFSA Education Foundation offers MoneySKILL®, a free, online program that educates students of all ages on the basic understanding of money-management fundamentals. This is an excellent tool for military families to use with their children to help teach them about personal finance.

We also applaud your efforts in turning back any efforts to weaken the NDAA. Specifically, we would like to thank you for rejecting Amendment 1776 that would limit the availability and usage of pre-dispute arbitration clauses or would prohibit or otherwise limit class action waivers. Such limitations would ultimately lead to costly, time-consuming, and adversarial litigation for service members and veterans that only serves to enrich the class action plaintiffs' bar. Service members and veterans deserve the option to settle disputes through arbitration, a more expedient process where data shows that they would experience greater payouts. The courts, including the U.S. Supreme Court, have recognized arbitration as a fair and effective mode of settling disputes, and servicemembers deserve the option for quick and effective justice.

<sup>1</sup> Founded in 1916, AFSA is the national trade association for the consumer credit industry, protecting access to credit and consumer choice. AFSA members provide consumers with many kinds of credit, including traditional installment loans, mortgages, direct and indirect vehicle financing, payment cards, and retail sales finance.

AFSA stands with you and with our country's servicemembers in strong support. Thank you for your efforts on NDAA, and please do not hesitate to contact me ([aharter@afsamail.org](mailto:aharter@afsamail.org), 214-870-1030) if we can be of assistance to you and your staff as this critical legislation moves forward.

Sincerely,

A handwritten signature in cursive script that reads "Ann Harter".

Ann Harter  
Vice President, Congressional Affairs  
American Financial Services Association