

October 13, 2021

The Honorable Rohit Chopra  
Director  
Consumer Financial Protection Bureau  
1700 G Street, NW  
Washington, DC 20012

Dear Director Chopra:

The American Financial Services Association (AFSA) congratulates you on being sworn in as the Director of the Consumer Financial Protection Bureau (CFPB). The association strongly supports your mission of ensuring that the financial marketplace meets the needs of all families, workers, and communities. We look forward to working with you and hope that we can meet with you soon.

AFSA's members are key to your goal of building a more inclusive economy. In fact, AFSA was established for just that purpose. Over a hundred years ago, AFSA (or the American Association of Small Loan Brokers, as it was known then) was founded with the goal of expanding access to credit. In the early 1900s, the average American consumer had difficulty getting a small personal loan. Commercial banks generally limited personal loans to the more affluent and to their bank depositors. State usury laws often set limits that made it impossible for other legitimate lenders to make small cash loans.

With few borrowing options available, many consumers resorted to loan sharks. In 1916, a group of lenders decided to change this situation. The association's first item of business was to work with the Russell Sage Foundation, a philanthropic institution dedicated to improving social conditions. Foreshadowing the consumer nature of the business, an early article in the association's official publication observed that "the loan business is to the working people what the bank is to the business man."

Over the next several decades, AFSA's membership expanded. As automobiles, refrigerators, and washing machines began coming off the assembly lines again after World War II, consumers used credit to buy these and other durable goods. Today, with the mission of 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.

More than 200 million Americans rely on a variety of uniquely tailored credit products made possible through mainstream and nontraditional financial services. Over one-third of Americans are considered "subprime," and one in five has no credit file at all. We are ready to work with you to embrace inclusion and create opportunities for quality financial products that serve all individuals and families, including those who may be un- or underbanked, credit invisible, or those with impaired credit histories.

Additionally, financial well-being and financial literacy are undoubtedly linked. Data from the most recent National Financial Capability Study estimated that 46% of individuals lack a "rainy-day" fund to cover expenses for three months. Moreover, 66% cannot adequately answer basic financial questions encountered in everyday

life. As financial institutions located in many neighborhoods and towns, our members are responsible for improving consumers' financial knowledge and education from childhood to adulthood, which help Americans make informed financial decisions.

In 2002, the AFSA Education Foundation developed MoneySKILL, one of the first free personal finance courses available online for middle school, high school, and college students. To date, MoneySKILL has enrolled over one million students focusing on a broad range of financial management fundamentals to improve personal finance outcomes.

The road to upward financial mobility is different for everyone, and we look forward to meeting with you to discuss how AFSA and its members can work with the CFPB toward that goal. I look forward to hearing from you: 202-466-8616 or [bhimpler@afsamail.org](mailto:bhimpler@afsamail.org).

Sincerely,

A handwritten signature in black ink that reads "Bill Himpler". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Bill Himpler  
President and CEO  
American Financial Services Association