

February 10, 2026

The Honorable Michael T. Azinger
Room 441M, Building 1
State Capitol Complex
Charleston, WV 25305

Dear Senator Azinger,

I am writing on behalf of the American Financial Services Association (AFSA)¹ to share our strong support for SB 702 which seeks to modernize the loan finance charge for regulated consumers under the West Virginia Consumer Credit and Protection Act.

By amending the West Virginia Consumer Credit and Protection Act to replace the current tiered rate structure (18 percent, 27 percent, and 31 percent) with a 36 percent Annual Percentage Rate (APR), SB 702 simplifies lending in the state, and is a much-needed step in the right direction toward aligning West Virginia’s consumer lending framework with contemporary credit markets, improving access to credit and consumer choice. Though we support this bill, we must note that making very small-dollar loans under the new structure would remain difficult, if not impossible, due to set costs of underwriting safe, affordable loans of any size. We urge you to revisit this issue in the future and welcome the chance to discuss it with you.

Updating the state’s rate structure will enable AFSA members to more accurately reflect the

¹ Founded in 1916, the American Financial Services Association (AFSA), based in Washington, D.C., is the primary 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, direct and indirect vehicle financing, mortgages, and payment cards. AFSA members include national banks and non-bank state licensed financial institutions. AFSA does not represent payday lenders, title lenders, or credit unions.

cost of providing credit and create a more workable environment for offering responsible, affordable installment loans. This reform would expand access to well-structured credit options for West Virginia consumers by allowing more individuals to qualify under the underwriting standards used by AFSA members, where the “ability to repay” analysis is central.

Without SB 702, many West Virginia consumers will continue turning to unregulated or unscrupulous lenders to meet a persistent demand for credit—options that are often less affordable, less transparent, and less safe. In contrast, traditional installment loans offered by our members not only provide stronger consumer protections but also support financial mobility through consistent credit reporting.

Expanding access to responsible credit products of this kind will strengthen financial empowerment, resilience, and upward mobility for West Virginians.

For these reasons, we greatly appreciate your introduction of this legislation. Thank you for considering our comments. If you have any questions or would like to discuss this further, please do not hesitate to contact me at 585-953-9624 or at coconnor@afsamail.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'Christian O'Connor', is written in a cursive style.

Christian O'Connor
State Legislative and Regulatory Counsel
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