



FAMILY OF COMPANIES



VIA ELECTRONIC MAIL

March 22, 2021

The Honorable Jeff Longbine
Chair, Senate Financial Institutions and Insurance Committee
300 SW 10th Street
Topeka, Kansas 66612

Re: SB 218 – Consumer Loan Rate Caps – OPPOSE

Dear Chairman Longbine,

I am contacting you on behalf of TitleMax of Kansas, Inc. (“*TitleMax*”), a member of the TMX Finance Family of Companies, to express our opposition to SB 218 relating to new restrictions on consumer credit products offered under the Kansas Uniform Consumer Credit Code. This legislation seeks to impose an interest rate cap and fee limitations that would significantly limit an important source of credit for Kansas consumers with below-average credit scores.

TitleMax is a state-licensed lender with 11 retail locations across the state. We enjoy helping Kansas residents meet their financial needs through the responsible use of motor vehicle secured and unsecured lines of credit. The majority of our customers are unable to access credit through a bank, credit union, credit card company, or traditional installment lender and instead rely on products like ours when faced with an unexpected expense or emergency. Frequently, these individuals have previously applied for and been denied other forms of credit before they visit our stores. We provide a safe and reliable credit option for consumers when they need it most.

We are very concerned that these credit options would be eliminated under the unworkable restrictions proposed in SB 218. Without access to regulated credit, Kansas residents who need help will be left with very few options — many may turn to unregulated and unlicensed lenders to obtain the funds they need. These individuals would be better served by policies that expand their ability to access a range of regulated consumer credit products rather than policies that erode existing loan options.

Due to these concerns, we respectfully oppose SB 218. Thank you for your consideration.

Sincerely,

Carrie E. Carbone

Carrie E. Carbone
Chief Legal Officer
TMX Finance Family of Companies