



Predatory Rent-a-Bank Schemes are Evading State Law Across the Country; Congress Must Repeal the OCC's Fake Lender Rule

May 2021

Voters across the country, [on a bipartisan basis](#), support state interest rate limits. Voters also strongly support enforcement of the law and [oppose evasions](#) by rent-a-bank schemes.

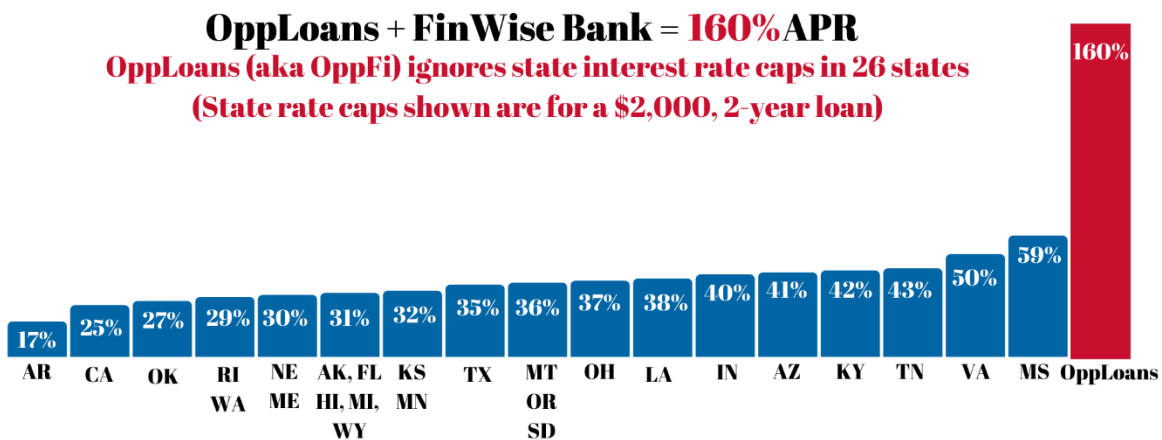
But the [“fake lender” rule](#) by the Office of the Comptroller of the Currency (OCC) allows predatory lenders to evade state interest rate laws by hiding behind a bank’s name on a piece of paper. That is why Congress must approve S.J. Res. 15 to overturn the fake lender rule.

The claims in support of the fake lender rule are as fake as the piece of paper predatory lenders are hiding behind. But supporters and opponents of the fake lender rule do agree on one thing: **The fake lender rule provides a clear test that clearly allows payday lenders and other predatory lenders to evade state law.**

The fake lender rule supports rent-a-bank schemes that harm [small businesses](#), [veterans](#), and [consumers across the country](#). The payday lenders CashNetUSA, Check Into Cash, Check ‘n Go, SpeedyCash and others have been [using rent-a-bank schemes](#) to make high-cost installment loans at rates that violate state law.

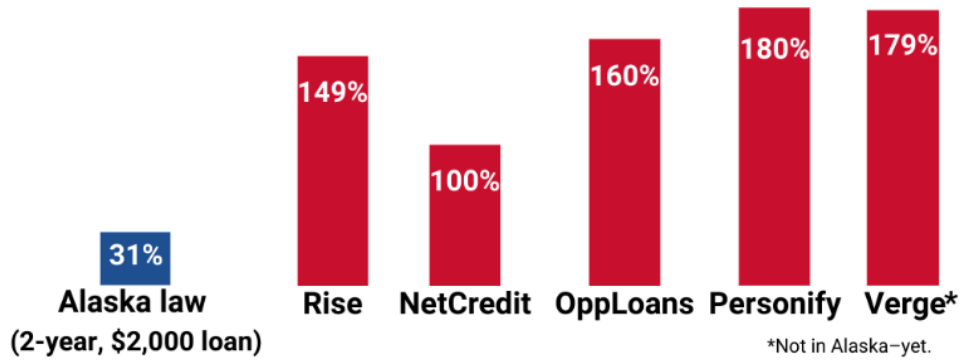
One predatory lender, OppLoans, [cited the fake lender rule](#) in defense of its purported right to charge 160% APR for a loan limited to 24% under state law. OppLoans correctly stated that the fake lender rule is "consistent with" the [rent-a-bank payday lending of the 2000s by ACE Cash Express and others](#). OppLoans is currently using rent-a-bank schemes to evade the laws of more than 26 states.

OppLoans' Current Use of Rent-a-Bank Schemes to Evade State Laws in 26 States

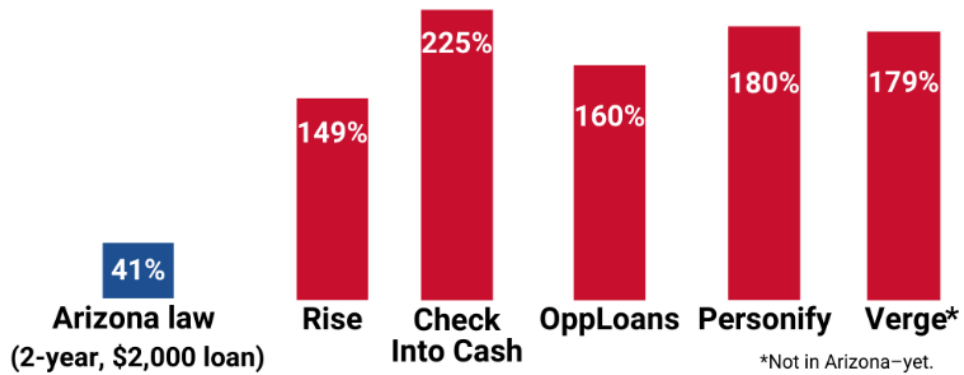


State-by-state snapshots show just some of the rent-a-bank lending schemes already happening across the country.

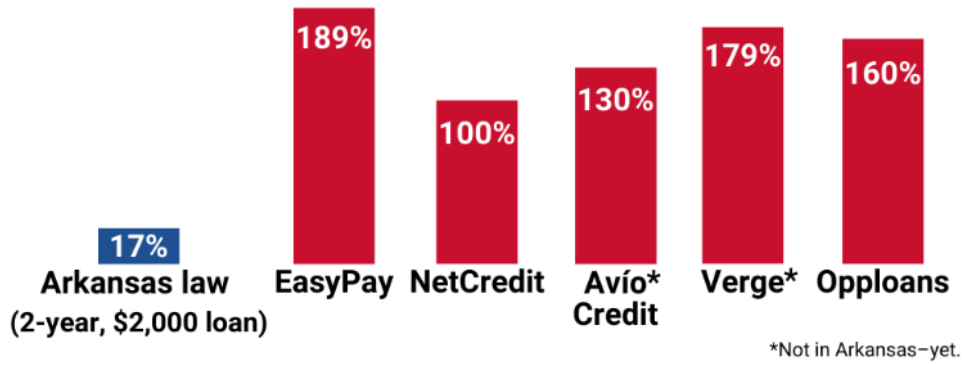
Alaska Maximum APR & Rent-a-Bank Loan Rates



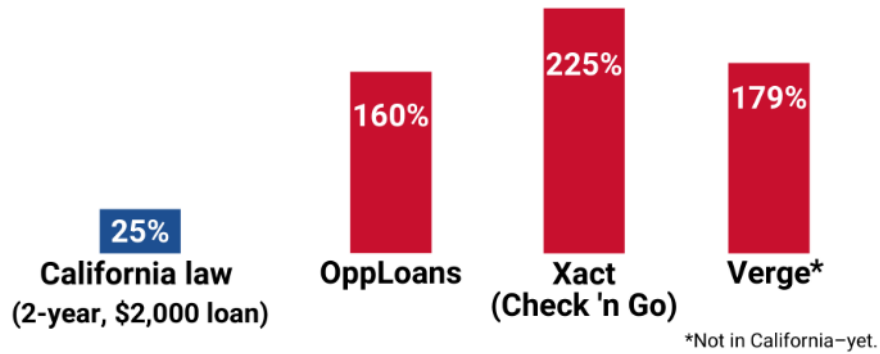
Arizona Maximum APR & Rent-a-Bank Loan Rates



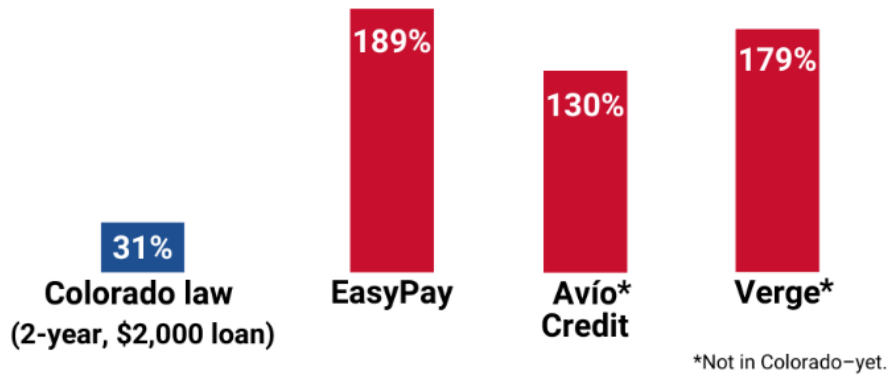
Arkansas Maximum APR & Rent-a-Bank Loan Rates



California Maximum APR & Rent-a-Bank Loan Rates



Colorado Maximum APR & Rent-a-Bank Loan Rates



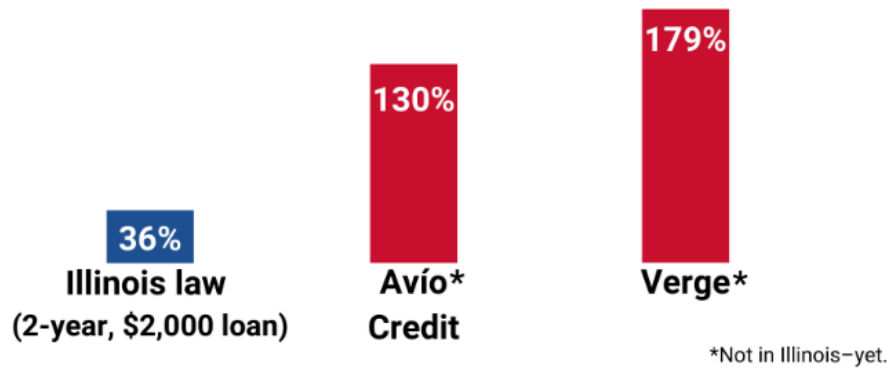
Florida Maximum APR & Rent-a-Bank Loan Rates



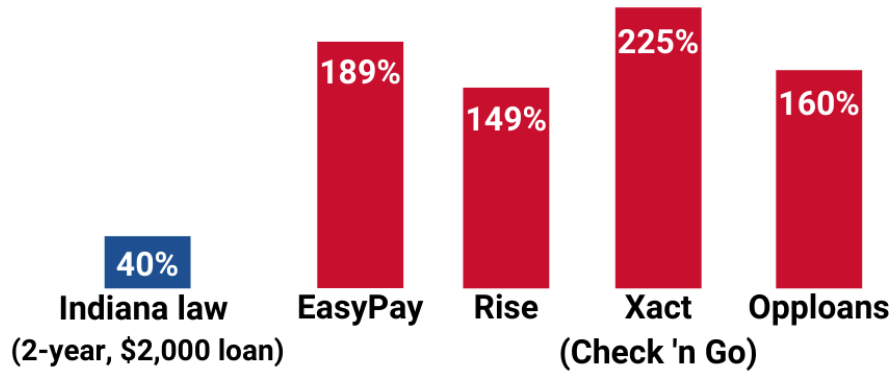
Georgia Maximum APR & Rent-a-Bank Loan Rates



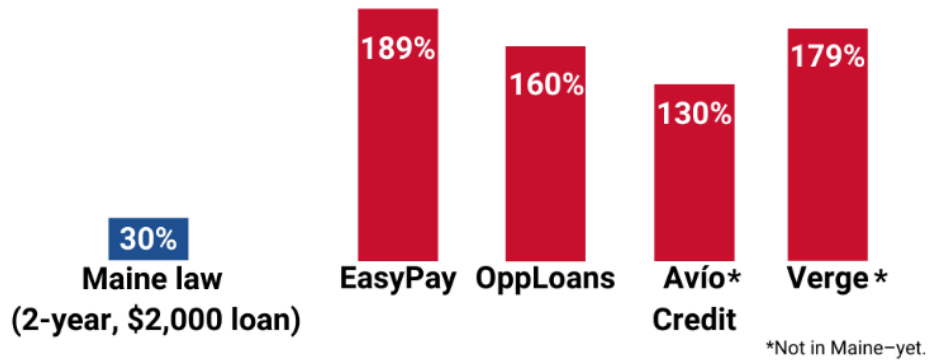
Illinois Maximum APR & Rent-a-Bank Loan Rates



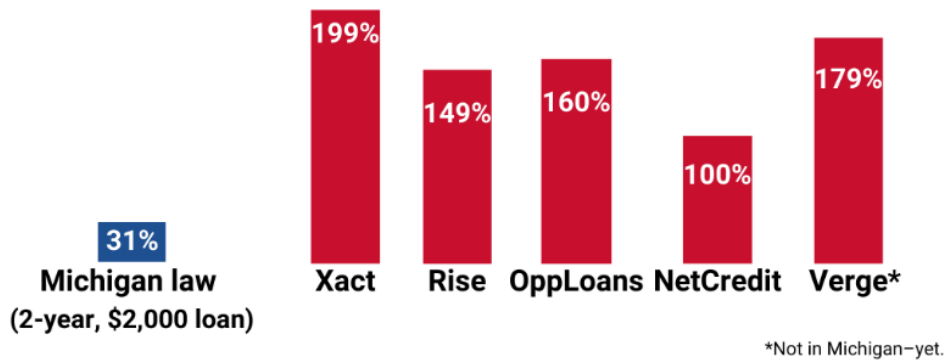
Indiana Maximum APR & Rent-a-Bank Loan Rates



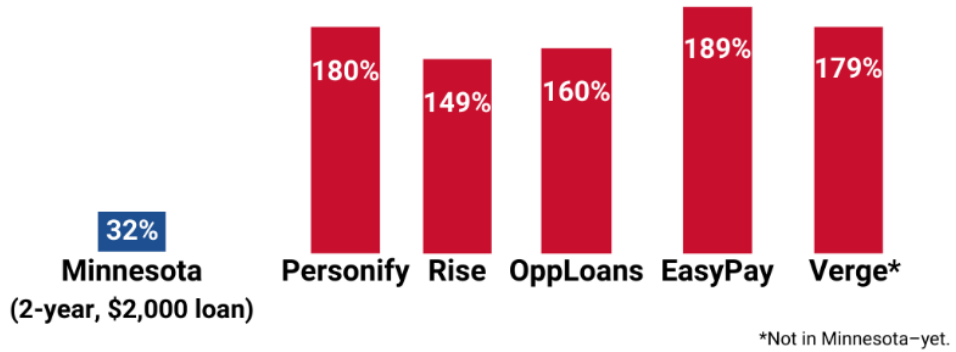
Maine Maximum APR & Rent-a-Bank Loan Rates



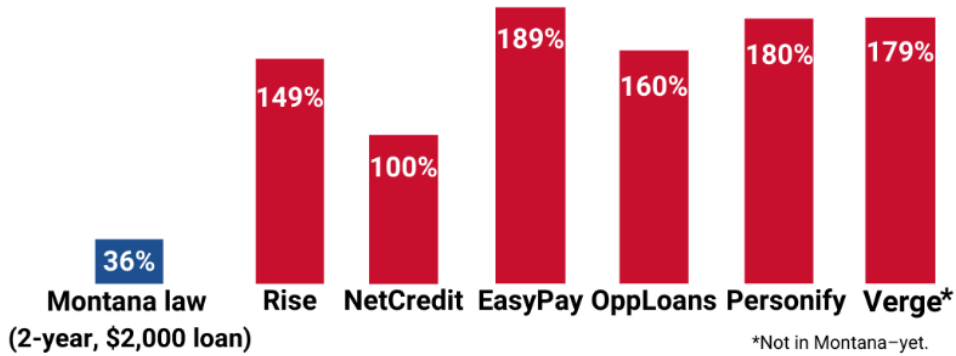
Michigan Maximum APR & Rent-a-Bank Loan Rates



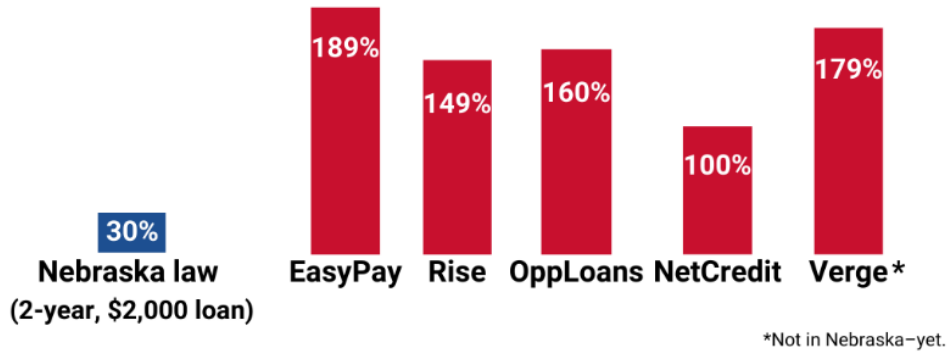
Minnesota Maximum APR & Rent-a-Bank Loan Rates



Montana Maximum APR & Rent-a-Bank Loan Rates



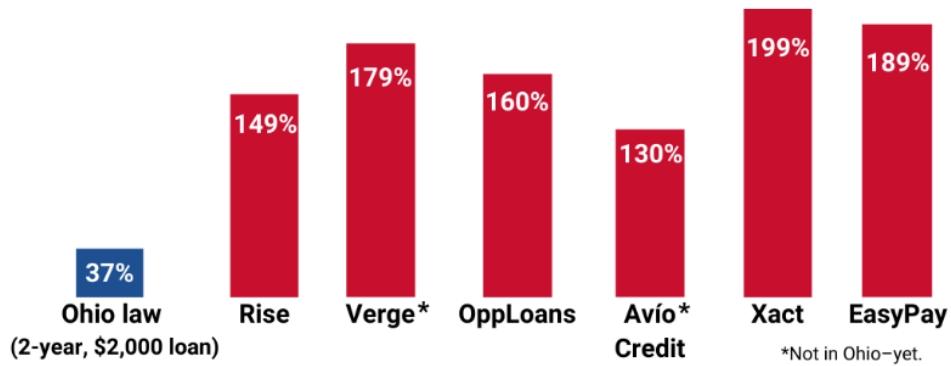
Nebraska Maximum APR & Rent-a-Bank Loan Rates



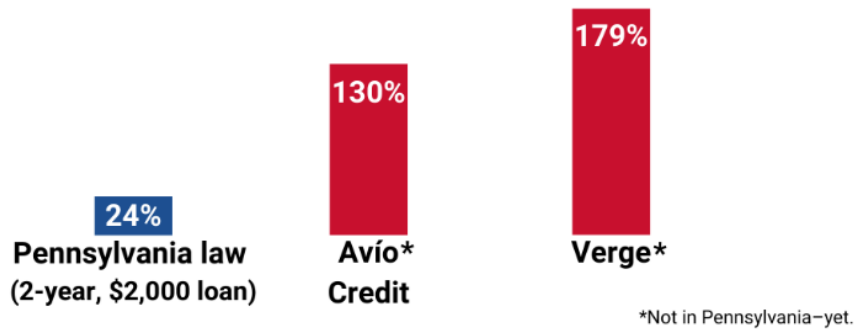
New Jersey Maximum APR & Rent-a-Bank Loan Rates



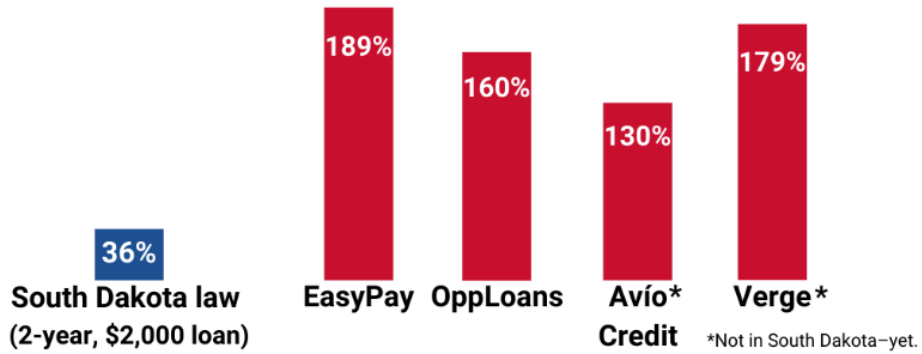
Ohio Maximum APR & Rent-a-Bank Loan Rates



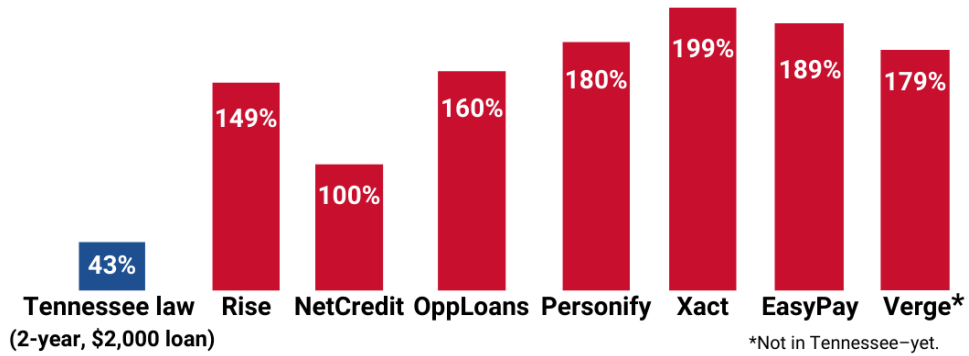
Pennsylvania Maximum APR & Rent-a-Bank Loan Rates



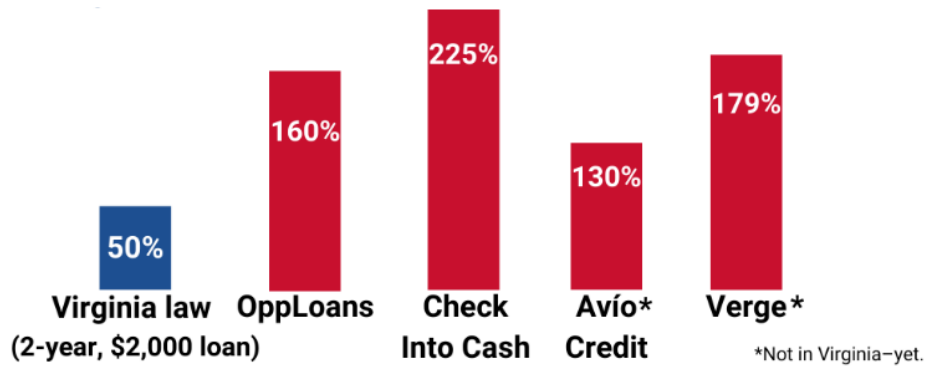
South Dakota Maximum APR & Rent-a-Bank Loan Rates



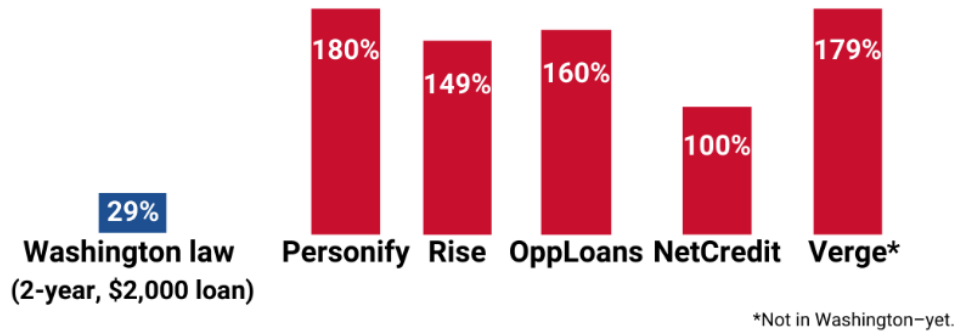
Tennessee Maximum APR & Rent-a-Bank Loan Rates



Virginia Maximum APR & Rent-a-Bank Loan Rates



Washington Maximum APR & Rent-a-Bank Loan Rates



West Virginia Maximum APR & Rent-a-Bank Loan Rates



Congress must rescind the OCC rule to prevent an explosion of more predatory lending across the nation, evading the will of voters and state legislatures.