



ALABAMA HOUSE OF REPRESENTATIVES

11 S. UNION STREET, MONTGOMERY ALABAMA 36130

REP. OLIVER L. ROBINSON, JR.
DISTRICT No. 58
POST OFFICE BOX 610343
BIRMINGHAM, ALABAMA 35261-0343

STATE HOUSE: 334-242-7769
DISTRICT: 205-841-3326
EMAIL: orobinson@aol.com

Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency
400 7th Street, SW., Suite 3E-218
Mail Stop 9W-11
Washington, DC 20219

Robert E. Feldman
Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th Street, NW.
Washington, DC 20429

May 20, 2013

Re: Docket ID OCC-2013-0005: Proposed Guidance on Deposit Advance Products
Federal Deposit Insurance Corporation 6714-01-P

To Whom It May Concern:

As the Office of the Comptroller of the Currency (OCC) and Federal Deposit Insurance Corporation (FDIC) continue to review proposed guidance on bank deposit advance products, I urge the agencies to fully consider the potential impact on the short-term credit marketplace and to ensure that any forthcoming regulations preserve and sustain competitive choices to benefit all American consumers. The proposed guidance can harm consumers more than it helps them.

As a state legislator in Alabama, I have participated in critical debates on short-term credit and consumer financial services. It has been my position that a balance should be sought to address the needs of consumers in obtaining short-term credit while preserving the protections afforded consumers under current Alabama law. Based on my experience, I am concerned that the expansive regulation proposed by the OCC and the FDIC does not adequately address consumers' need for short-term credit or reflect their experience, nor does it get to the root of the financial challenges confronting many consumers. Providing effective financial safeguards for Alabamians while preserving access to credit should be the overarching goal of any new regulation.

The need for short-term small dollar lending is clear. Millions of Americans continue to struggle to make ends meet, driving a need and demand for short-term credit. A recent report from the National Bureau of Economic Research (NBER) found that one in four Americans have used various forms of short-term credit – payday loans, auto title loans, and similar services – over the last five years. These short-term credit options help consumers manage shortfalls and avoid late payment fees, damage to credit scores or a loss of critical services such as utilities and healthcare. Consumers clearly need and value these

Legislative and Regulatory Activities Division

Robert E. Feldman

May 20, 2013

Page 2

options, using them as many times as they need to – and only as many times as they need to – in order to bridge a gap in their finances.

Consumers thrive in a competitive, regulated financial services market. Through the creation and enforcement of a level regulatory playing field, the OCC, FDIC and other regulators can foster such an environment. As long as similar services are treated consistently, competition and transparency will rule the day, driving costs to the lowest point and providing the greatest benefit to consumers. I encourage the OCC and FDIC to develop fair regulation across short-term financial services – from deposit advances to overdraft programs – so that consumers will be empowered to make sound, informed financial decisions and attain greater financial security.

Sincerely,

A handwritten signature in black ink, appearing to read "O. Robinson". The signature is fluid and cursive, with the first name "O." and the last name "Robinson" clearly visible.

Oliver Robinson