

**STATEMENT BY
MARY JACKSON
BEFORE THE
HOUSE COMMITTEE ON FINANCIAL SERVICES
SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND
CONSUMER CREDIT**

Washington, DC

July 24, 2012

Thank you for this opportunity to submit my written statement as part of the record. I am pleased that the subcommittee is holding this hearing to consider legislation that would allow consumers more credit options.

As a tenured employee of Cash America International (NYSE:CSH), I've spent more than 20 years advocating for consumers who deserve an array of financial options. That is why I am here to express my support of H.R. 6139, the Consumer Credit Access, Innovation and Modernization Act, relating to a federal non-bank charter. This legislation will provide consumers with access to new, innovative financial products that are generally unavailable to them at traditional institutions such as banks and credit unions.

Cash America is an innovative, 28-year old company that offers specialty financial services in the United States and abroad. As a heavily regulated organization, we operate in 39 states and hold more than 4,100 licenses to offer unsecured and secured, non-recourse products, which include pawn loans, installment loans, lines of credit, cash advance loans, auto equity loans, gold buying, check cashing, money orders/transfers, bill pay and prepaid debit cards. These services offer viable options for hard-working

Americans who need and want access to credit. We desire to offer more options to consumers, but unfortunately, we are restricted. There is a disconnect between the speed of product innovation by the private sector and the outdated state laws currently set up to govern those products.

The demand for affordable credit is significant and growing, while available credit alternatives are shrinking. A federal non-bank charter would take the industry from varying laws in 50 states to one overriding solution. The state-by-state model is utterly ineffective. The patchwork of credit products currently available by state means we can't offer the same choices to consumers with identical financial needs because they are separated by nothing more than a state line.

Under the charter, American consumers living in different states would have access to the same products. The charter would also allow consumers longer loan terms of 60, 90 even 120 days to one year to repay their loans, which can be designed to pay down the principal balance over the term of the loan. This is important considering that a recent study by the National Bureau of Economic Research revealed that almost half of American consumers can't even come up with \$2,000 in 30 days to meet an emergency. The financial products gap is real and getting wider. Options are dwindling and there's nothing there to replace them. We have to begin to articulate a nationwide approach and put a plan into action. That's what we believe is outlined in the Consumer Credit Access, Innovation and Modernization Act.

In closing, let's not marginalize non-bank lenders into a category of financial services that can be deemed as "alternative." We're becoming more mainstream and we need avenues to continue serving consumers with more options. We encourage you to support a non-bank charter– not just because we're asking, but because of customers like Elizabeth from Ohio who wrote us saying: *"For people who can't get bank loans, small loans are the only option."*

As an advocate for consumers, I urge the committee to consider H.R. 6139. The legislation would provide a single solution to meet the needs of all Americans and ensure sustainable access to credit for them for years to come.