

February 27, 2023

Dear MN Senate Commerce and Consumer Protection Committee,

I am writing this letter on behalf of Greater Mankato Area United Way to support Minnesota S.F. 1635, which would regulate interest rates for consumer short-term and small loans so they would not exceed 36 percent.

Greater Mankato Area United Way has hosted several community meetings in partnership with Minnesotans for Fair Lending and Exodus Lending to build awareness of how significant and damaging the issue of payday lending is in greater Mankato. The interest and fees attached to payday lending create a cycle of debt that makes it very difficult to ever have financial stability.

Payday lending is predatory by nature and hinders individual's financial well-being as well as deters individuals from pursuing any financial future outside of paying off debt. Please support S.F. 1635 which will keep vulnerable borrowers from becoming financially strapped.

Thank you,



Elizabeth Harstad

Director of Community Impact

