MICHIGAN VOTERS OVERWHELMINGLY SUPPORT 36% RATE CAP

MICHIGAN
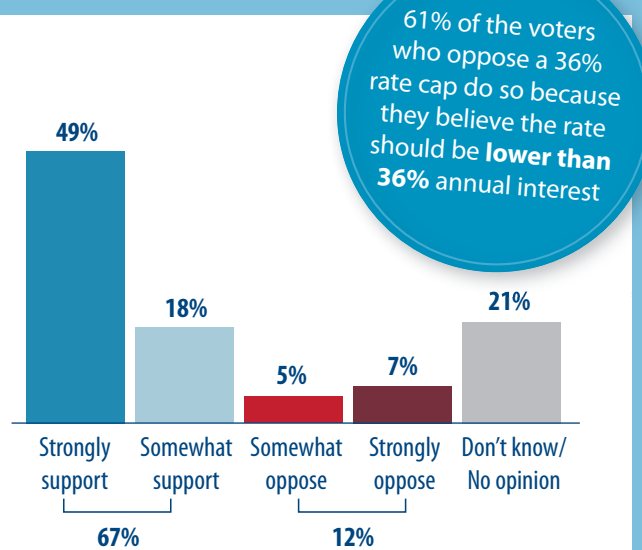
MI payday lenders disproportionately HARM:

LOW-INCOME FAMILIES • PEOPLE OF COLOR

FOR MOST OF Michigan's history, state laws prevented payday lenders from operating, most recently by limiting interest on consumer loans at 25%. However, in 2005, Michigan became the last state to authorize payday lending when payday lenders pushed for a carve-out allowing them to charge rates of 340% APR or higher. Payday lenders drain over $103 million in fees from Michigan residents every year. Now, they want the ability to make longer-term loans at APRs as high as 200%. Michiganders do not want payday lending to expand. Instead, Michigan needs reform proven to stop the debt trap—a true rate cap on payday loans that restores a maximum rate of 36%.

67% of Michigan voters support a **36%** interest rate cap on payday lenders

49% strongly support the **36%** rate cap

*61% of the voters who oppose a 36% rate cap do so because they believe the rate should be **lower than 36%** annual interest*
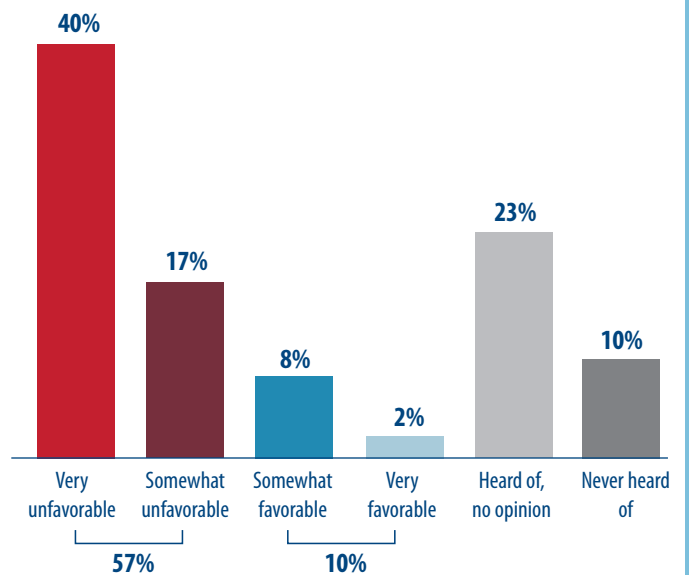
POLLING QUESTION: "As you may know, the average annual interest rate on payday loans is 391%. Would you support or oppose a proposal to put a cap on the interest rates that payday lenders may charge at 36% annual interest?"

Strongly support	Somewhat support	Somewhat oppose	Strongly oppose	Don't know/ No opinion
49%	18%	5%	7%	21%

67%   12%

57% of Michigan voters have an unfavorable opinion of payday lenders

40% of Michigan voters have a very unfavorable opinion of payday lenders

**POLLING QUESTION:** "Do you have a favorable or unfavorable impression of the following: Payday lenders"

Very unfavorable	Somewhat unfavorable	Somewhat favorable	Very favorable	Heard of, no opinion	Never heard of
40%	17%	8%	2%	23%	10%

57%   10%

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Voters overwhelmingly prefer all-in rate cap

92% of Michigan voters prefer a rate cap that includes fees on loans for all consumers
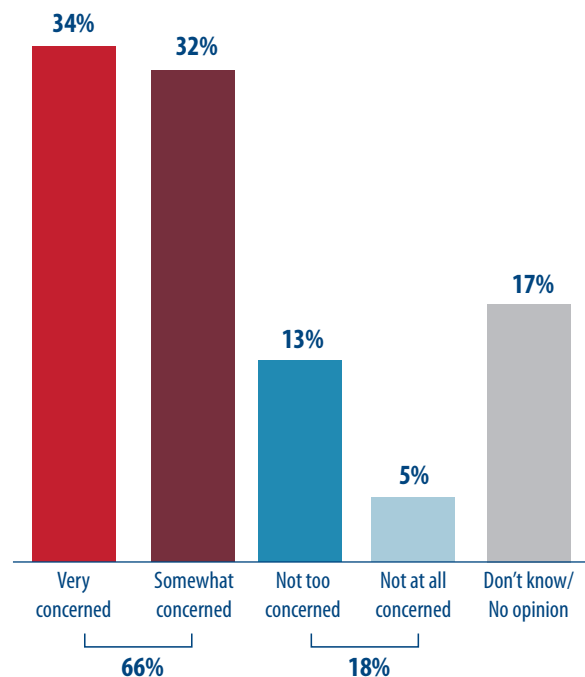
POLLING QUESTION: "As you may know, loans issued to members of the military are capped by federal law at 36% annual interest including fees. Some have suggested that another way to cap loans for all consumers would be to cap them at 36% annual interest plus additional fees in addition to the annual interest. Which of the following options would you prefer for all consumers?"

92%
Prefer 36% annual interest rate including fees

8%
Prefer 36% annual interest rate plus additional fees
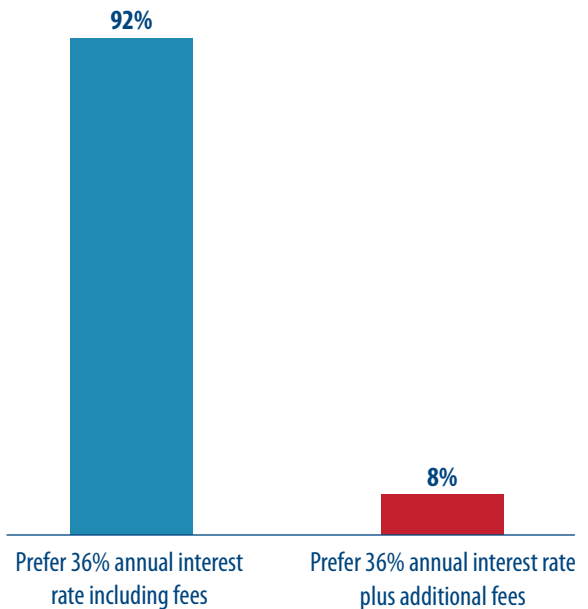
66% of Michigan voters are concerned about rate cap evasion

34% of Michigan voters are very concerned about high-cost lenders arranging loans through banks at rates higher than state laws allow

POLLING QUESTION: "As you may know, in some states, state law already prohibits payday lenders from charging more than 36% annual interest. Banks, however, are not subject to state interest rate limits. In states with interest rate limits, payday or other high-cost lenders sometimes avoid state rate limits by arranging high-cost loans to consumers through banks. These loans often have 100% annual interest rates or higher even in states with lower rate limits. How concerned are you about the ability of high-cost lenders to arrange loans through banks at rates higher than state laws allow?"

34%
Very concerned

32%
Somewhat concerned

13%
Not too concerned

5%
Not at all concerned

17%
Don't know/ No opinion

66%   **18%**