

# MICHIGAN VOTERS OVERWHELMINGLY SUPPORT 36% RATE CAP

## MICHIGAN



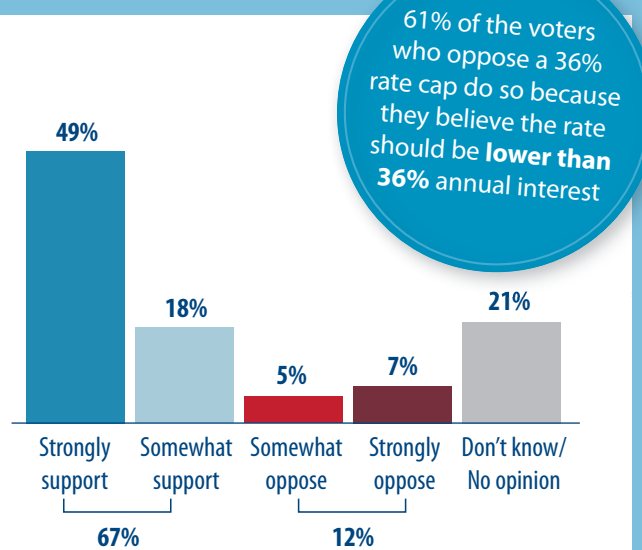
**MI payday lenders disproportionately HARM:**  
LOW-INCOME FAMILIES • PEOPLE OF COLOR

**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

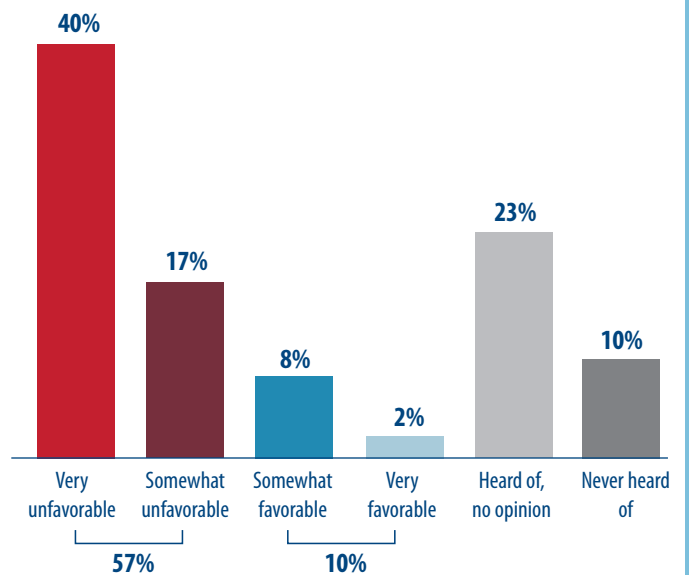
**POLLING QUESTION:** "As you may know, the average annual interest rate on payday loans is 391%. Would you support or oppose a proposal to put a cap on the interest rates that payday lenders may charge at 36% annual interest?"



**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?"

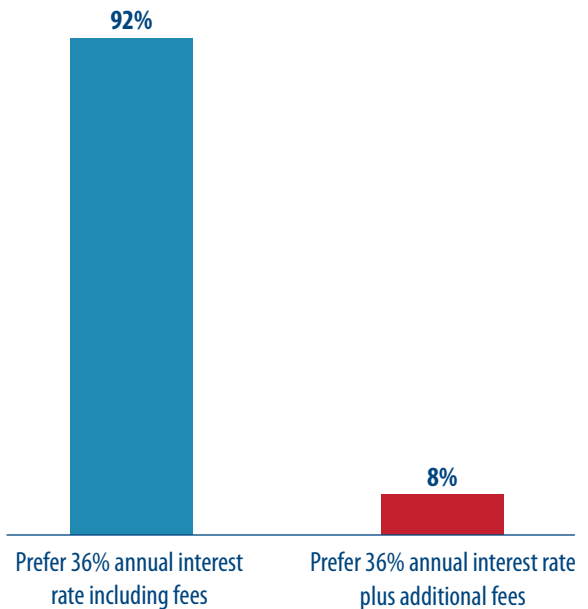


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Voters overwhelmingly prefer all-in rate cap

**92%** of Michigan voters prefer a rate cap that includes fees on loans for all consumers

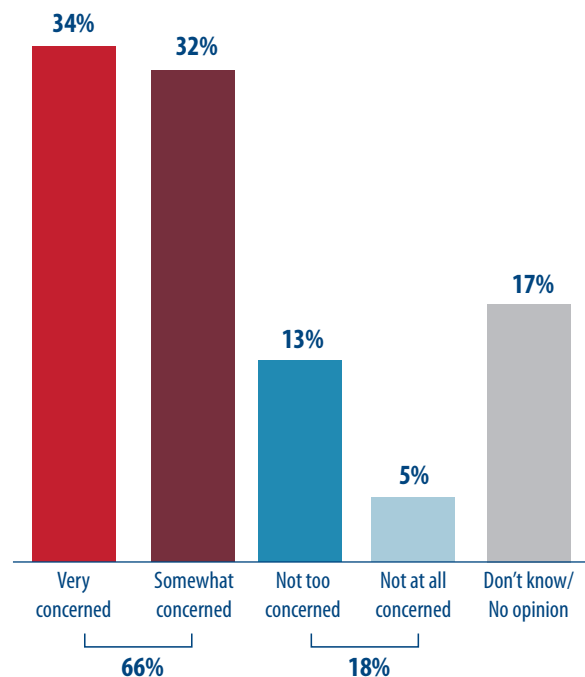
**POLLING QUESTION:** "As you may know, loans issued to members of the military are capped by federal law at 36% annual interest including fees. Some have suggested that another way to cap loans for all consumers would be to cap them at 36% annual interest plus additional fees in addition to the annual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



**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?"



**METHODOLOGY:** This poll was conducted between January 9–15, 2020 among a national sample of 9,962 registered voters. The interviews were conducted online, and the data were weighted to approximate a target sample of registered voters based on age, educational attainment, gender, race, and region. Results from the full survey have a margin of error of +/- 1%. State results use a statistical technique called multilevel regression with post-stratification (MRP) to estimate state-level public opinion from the national survey data for a specific month. Responses to each survey question are modeled via multilevel regression as a function of both individual level and state-level variables. Morning Consult models use age, gender, education, and race as individual-level predictor variables. For state-level variables, Morning Consult chose variables that may influence state-level vote choice such as the percent change in state gross domestic product (GDP), state unemployment rates, state median household income, and state-level outcomes from the 2016 presidential election. Morning Consult obtained population parameters for registered voters from the November 2016 Current Population Survey. Morning Consult applied post-stratification weights at the state level based on gender, age, educational attainment, and race using the American Community Survey (ACS). Figures may not add to 100% due to rounding.