



March 13, 2025

Re: In support of HR 5024

Dear Chairperson and Committee members,

The RI Interfaith Coalition to Reduce Poverty is a coalition of faith leaders, advocates, and community groups that are united in the belief that we have a moral obligation to fight inequality and end poverty. Our coalition includes faith leaders from across the entire state and represents thousands of congregants and parishioners in our commitment to care for the vulnerable.

Under current law, Rhode Island's storefront payday lenders are allowed to charge an effective annual interest rate 260% when they cash the paychecks of mostly low-income workers. This insidious practice traps the most economically vulnerable in an endless cycle of debt. By cutting out the exemption in the law for payday lenders and requiring adherence to the regulations of other financial institutions, we can make a difference in the lives of those living on the edge. Predatory lending takes advantage of vulnerable people, hurting their credit and wellbeing, rather than providing a compassionate lifeline for those in need. Fair loans should be a means of lifting up an individual, rather than diminishing them. For that reason many of our sacred texts eschew and even prohibit such practices.

All of our faith traditions call us to take care of those in need, to uplift the poor and care for the most vulnerable. The Rhode Island Interfaith Coalition urges the passage of HR 5024

Sincerely,

The RI Interfaith Coalition to Reduce Poverty