

**FOR IMMEDIATE RELEASE**  
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### **Comptroller Urges Banks to Meet Consumers' Short-Term, Small-Dollar Credit Needs**

WASHINGTON — Comptroller of the Currency Joseph Otting today issued the following statement regarding the release of his agency's bulletin encouraging national banks and federal savings associations to offer responsible short-term, small-dollar installment loans.

Millions of U.S. consumers borrow nearly \$90 billion every year in short-term, small dollar loans typically ranging from \$300 to \$5,000 to make ends meet. Consumers should have more choices that are safe and affordable, and banks should be part of that solution.

That is why the Office of the Comptroller of the Currency clarified its position encouraging national banks and federal savings associations to offer responsible short-term, small-dollar installment lending to help meet the credit needs of their customers.

Banks can provide affordable short-term, small-dollar installment lending options that help consumers, including consumers with weaker credit histories who have the ability to repay. Bank-offered products can help lead consumers to more mainstream financial services without trapping them in cycles of debt. When banks offer products with reasonable pricing and repayment terms, consumers also benefit from other services that banks regularly provide, such as financial education and credit reporting.

By participating in this important space, banks increase the supply and choices available to consumers, which can reduce borrowing costs and have other beneficial market effects.

Banks may not be able to serve all of this large market, but they can reach a significant portion of it and bring additional options and more competition to the marketplace while delivering safe, fair, and affordable products that promote the long-term financial goals of their customers.

#### **Related Link**

- OCC Bulletin 2018-14, "Core Lending Principles for Short-Term, Small-Dollar Installment Lending"

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