



February 13, 2018

The Honorable Paul Ryan  
Speaker of the House  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Nancy Pelosi  
Minority Leader  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Speaker Ryan and Minority Leader Pelosi:

On behalf of the Online Lenders Alliance, I write to express our support for H.R. 3299, the Protecting Consumers' Access to Credit Act introduced by Representatives Patrick McHenry and Greg Meeks, which is scheduled for consideration before the House this week.

H.R. 3299 would codify the "valid-when-made" doctrine, a longstanding legal principle, that if a loan is valid when it is made with respect to its interest rate, then it does not become invalid or unenforceable when assigned to another party. This common law principle has been a cornerstone of U.S. banking law for over 100 years. This legislation clarifies recent legal confusion that has limited the ability of consumers and small businesses to use the convenience and value offered by America's modern financial services marketplace. It helps consumers by strengthening capital markets and competition.

This doctrine was recently indirectly undermined by the Second Circuit's decision in *Madden v. Midland Funding, LLC*. By calling into question the "valid-when-made" doctrine, the decision has injected uncertainty into the secondary markets for consumer and commercial credit, resulting in increased costs and decreased competition.

We applaud Reps. McHenry and Meeks for introducing H.R. 3299 and urge the House to pass this bipartisan legislation.

Regards,

A handwritten signature in blue ink that reads "Lisa McGreevy".

Lisa McGreevy  
President & CEO  
Online Lenders Alliance