



October 19, 2020

Via electronic mail to: regulations@dfpi.ca.gov

With a copy to: [REDACTED]@dfpi.ca.gov

RE: Notice of Modification to Proposed Regulations – Pilot Program for Increased Access to Responsible Small Dollar Loans - California Financing Law (PRO 04/21)

Dear DFPI,

DolEx is a leading financial services company that was founded by immigrants over twenty-five years ago, is led by immigrant officers today and has always served and continues to proudly serve immigrants in California. We take a great deal of pride in serving hundreds of thousands of Hispanic customers throughout Northern and Southern California. Our relationship with our customers is built on trust and is of the utmost importance to our company. DolEx owns and operates the largest store network in the US focused on the Hispanic Market with over 450 store locations and over 2,500 agent locations in 35 states across the US. We are one of the largest privately held financial services companies in the US focused on the Hispanic Market, with over 1,300 employees in the US and over 1,700 worldwide.

DolEx served as a finder under the Pilot Program during 2015-2020, and we are very proud to have facilitated over 95,000 loans in California in our role as a finder during that time. We are also very excited about serving as a finder under the Pilot Program for Oportun in the near future.

The goal of the Pilot Program for Increased Access to Responsible Small Dollar Loans was to increase underserved consumers' access to affordable capital by encouraging a more robust small-dollar loan market in California. According to the most recent report by the DFPI, pilot program lenders approved nearly 95,000 of these responsible, credit building loans to California consumers. About 100,000 California consumers benefit from responsible access to credit and are being allowed entry into the formal banking system, and away from more higher cost lenders. We look forward to continuing to partner with the DFPI to ensure that California continues to meet its goal of encouraging responsible credit access for underserved Californians through this innovative pilot lending program.

The purpose of this comment letter is to ask the DFPI to consider amending the highlighted language below in paragraph (4) of CA Fin Code § 22374 by increasing the cap on the total compensation paid by a licensee to a finder from sixty-five (\$65) to one hundred (\$100) per loan.

*“(4) Subject to the limitations set forth in paragraphs (1) to (3), inclusive, the total compensation paid by a licensee to a finder for the services set forth in subdivision (a) of Section 22372 shall not exceed **sixty-five dollars (\$65)** per loan, whether paid at the time of consummation, over installments, or in a manner otherwise agreed upon by the licensee and the finder, plus two dollars (\$2) per payment received by the finder on behalf of the licensee for the duration of the loan, when the finder receives borrower loan payments on the licensee's behalf in accordance with subdivision (b) of Section 22372.”*

The reason for the requested increase in finder's compensation is to help offset the significant increases during the last few years in various expenses borne by finders in the areas of payroll, rent, utilities and investments on technology, to comply with specific finder requirements, consumer privacy and cyber security regulations.

Thank you for your consideration. I can be reached at the information listed below should you have any questions.

Sincerely,

Laybaa Hernandez,
CAMS, CFE

Digitally signed by Laybaa Hernandez, CAMS,
CFE
DN: cn=Laybaa Hernandez, CAMS, CFE, o=DolEx
Dollar Express, Inc., ou=Chief Operating Officer,
email=Laybaa.Hernandez@dollex.com, c=US
Date: 2021.10.19 16:09:53 -04'00'

Laybaa Hernandez, CAMS, CFE

Chief Operating Officer

Email: [REDACTED]

Office: [REDACTED]

DolEx Dollar Express, Inc. | 701 Highlander Blvd, Suite 300 | Arlington, TX | 76015