



The Charlottesville Chapter held a successful Women's Roundtable at the Virginia Organizing main office. Women's Roundtables are a place for women to meet, discuss issues that affect all women, and provide a safe space for all, especially women of color and lower-income women.



Secretary of the Commonwealth Kelly Thomasson provided information on the Governor's recent restoration of civil rights order at a Virginia Organizing gathering in Virginia Beach.



Virginia Organizing leaders on the Eastern Shore held their third planning meeting where they discussed transportation, infrastructure, senior services, and health care.

## News From the Grassroots

### Consumer Financial Protection Bureau Proposes New Rules, Virginia Organizing Responds

On Thursday, June 2, the Consumer Financial Protection Bureau (CFPB) released proposed rules for payday and title lending with the intent to curb predatory practices by these lenders. The proposed rules are a good start, but unfortunately, the payday and car title lending companies successfully lobbied for exceptions to the rules that will allow these companies to continue to operate business as usual.

Virginia Organizing released a statement shortly after the rules were proposed. Chairperson Del McWhorter said, "Today, we are glad that the Consumer Financial Protection Bureau is taking some bold steps to regulate some of the worst practices in the industry. The proposed rules are a great start, but we are concerned about predatory lenders exploiting loopholes."

One of the protections proposed by the CFPB is basic underwriting criteria to ensure that consumers can reasonably pay back their loan according to the loan terms.

Debt traps exist because individuals take out a \$300 payday loan and pay a total of \$369.20 according to the loan calculator for a two-week loan of a leading payday lender in Virginia. This is an annual percentage rate (APR) of 601.38 percent. The full \$369.20 is due usually within 14 days. When payday comes, the lender drafts the consumer's account for the full amount of the loan. If rent or a car payment is due, the consumer then has to take out another loan for \$370 or more to cover those costs.

The cycle continues until the individual has exhausted the number of loans they can take out. If the debt is outstanding, they are then sent to debt collectors who often employ hostile tactics to threaten and intimidate borrowers.

The CFPB's proposed rules would disrupt this cycle — with some notable loopholes. If the rules are adopted as is, the underwriting criteria only applies to a person who has had more than six loans without an assessment of the ability to repay. Essentially, predatory lenders can trap people in debt cycles without any of the underwriting criteria, just as long as they don't try to lend them a seventh loan. Six predatory loans are six too many.

One of the positive provisions in the proposed rules would take away the ability of a lender to draft an individual's bank account more than twice without written permission. This should protect individuals from racking up a significant number of bank fees — each time an attempt is made, banks can charge a \$29 fee if funds are not available.

Virginia Organizing supports strong regulations on predatory loans. The CFPB will receive comments through September 14 about the proposed rules. We are asking that they implement the rules and close the loopholes that will make it easier for lenders to exploit consumers. You can write comments at <http://bit.ly/stoppredators>.

### Important Dates!

**July 23:** March on the Mansion to promote environmental justice: <http://bit.ly/vaorgmarchonmansion>

**September 16-18:** Annual Grassroots Gathering: <http://bit.ly/grassrootsgathering2016>

**October 22:** Virginia Transgender Information and Empowerment Summit: <http://www.equalityvirginia.org/ties/>

# Real people. Real change.

## President Obama Changes Course on Social Security

Approaching the end of his eighth year as President of the United States, Barack Obama has now voiced his support to lift the current income cap for the Social Security tax. The current tax is only applied to the first \$118,500. If you are employed, your employer and you will each pay 6.2 percent to equal 12.4 percent in Social Security taxes; if you are self-employed, you pay the full 12.4 percent. That money is held in a trust and you receive future payouts based on your current income and number of years worked. The average monthly benefit for a retired person is \$1,335 per month according to the Social Security Administration. Most people pay Social Security taxes on all their earnings, but there are some, 5.6 percent of Americans according to the Center for Economic and Policy Research, who would pay more Social Security taxes on their earnings over \$118,500 per year if the cap were lifted.

Virginia Organizing applauded the President for changing his opinion. We know that the Social Security trust funds are solvent for at least another 25 years and the way to secure Social Security is not to cut benefits for those who rely on them, but to increase the revenue by ensuring that everyone is paying their fair share.

## Fighting for Environmental Justice

Virginia Organizing is part of a broad coalition of organizations that are coming together to act on climate change and challenge Governor Terry McAuliffe to take bold action to cut carbon. Governor McAuliffe has already taken some positive steps to protect Virginians and our

environment — he ended coal tax credits and has brought attention to sea-level rise issues in Virginia — but, the Governor's relationship with big corporate polluters like Dominion and Appalachian Power and his support of off-shore oil drilling and pipelines across the state are troubling. Virginia Organizing will continue to call on the Governor to put people before corporations.

## Southwest Virginians Support Hospital Reopening

Virginia Organizing leaders in Southwest Virginia organized to attend the Southwest Virginia Health Authority meeting in Lee County to discuss the effect the local hospital closure has had on the community. Residents of Lee County were so passionate about this issue that extra chairs had to be brought into the overcrowded room.

The Health Authority was meeting to discuss plans for two health systems in the area, Wellmont Health System and Mountain States Health Alliance, to merge. Virginia Organizing leaders and other community members made the case that the merger should only be approved if the Lee County hospital is reopened to serve residents of the area. Those who were served by the hospital have suffered the consequences of less access to health care since the closing and remain concerned that health needs will not be met if an emergency were to arise.

### Take Action!

Submit your comments to the Consumer Financial Protection Bureau on the new proposed rules and ask your friends to do the same! You can comment at <http://stop paydaypredators.com/VirginiaOrganizing>.

## Leader of the Month Dian Williams



Dian Williams is a newer Virginia Organizing leader in Portsmouth who got active after learning about Virginia Organizing at a local civic league meeting.

"When I heard about all the issues that Virginia Organizing works on, I thought, 'this is me!'" said Dian. "All my friends were pointing at me as we listened."

Dian has experience with the school-to-prison pipeline and understands how important it is to address children's issues at younger ages. Her grandson experienced discipline issues since elementary school and was arrested on his 18th birthday. He is now in prison.

She is part of another group of people who have adopted a local school. Dian spends time at the school reading to kids, helping provide for their needs, and even trying to get scholarship money for children.

Dian is passionate about helping people find their voice and she believes that Virginia Organizing helps with this.

"In my time with Virginia Organizing, I've learned that there are a lot of people interested in these same issues that we're working on, but they don't always know they can speak up for their rights and the rights of their children," said Dian.

In addition to her work with children, Dian is also introducing everyone she knows to Virginia Organizing. She takes brochures everywhere she goes and has even talked to her pastor about how to get involved. Dian also had a letter to the editor published in her local paper.

Thank you, Dian, for your leadership!

## VIRGINIA ORGANIZING

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### Local Chapters and Areas Served

Augusta/Staunton/Waynesboro  
Charlottesville/Albemarle County  
Danville  
Eastern Shore  
Harrisonburg/Rockingham County  
Fredericksburg  
Lee County  
Lynchburg  
Martinsville/Henry County  
New River Valley  
Roanoke  
South Hampton Roads  
Washington County  
On Campus: UMW, VSU, CNU, UVA, E&H,  
U of R, ODU, NSU, RU, TCC, VCU, JMU



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## News in Brief

- The emerging Chapters on the Eastern Shore and in Portsmouth are continuing to hold planning meetings to develop local campaigns. In Portsmouth, the leaders are focusing on the school-to-prison pipeline and have started organizing around this issue.
- Virginia Organizing leaders in Danville and the New River Valley are both working on school discipline and student opportunity gap issues in their communities. Opportunity gaps exist when students are at an unfair disadvantage because of race, socioeconomic status, differing abilities, and other factors.
- Members of the Statewide Health Care Strategy Committee attended a meeting at the State Corporation Commission regarding the proposed merger of Anthem and Cigna, two of the largest insurers in Virginia. Leaders spoke out against the merger because it will give Virginians less options and drive health insurance prices up.
- Leaders in Martinsville/Henry County are committed to fighting to ban the criminal history box on public job applications in Henry County and started with an encouraging meeting with the human resource director for the county.

[www.virginia-organizing.org](http://www.virginia-organizing.org)