

ARKANSAS BUSINESS

www.arkansasbusiness.com

Vol. 22, No. 1 • JANUARY 10, 2005

LETTER

Loan Sharks

Everywhere you look today there's a scam to take advantage of trusting Americans in need. One such scam comes in the form of modern loan sharking, which can have a detrimental impact on the lives and pocketbooks of many who find themselves in need of extra money.

Like common thieves, these loan sharks go by many aliases, including payday lenders, but their objective is the same — to charge high fees which equate to outrageous interest rates.

Imagine a grandmother like me, living on a fixed income. She finds herself in a situation one month where she can't pay all her bills. As she's driving down the street she sees a big neon sign

reading "Up to \$700 Cash Advance," so she decides to check it out.

After proving income and a valid bank account, she walks out with \$500, but with a \$75 "fee." In just two weeks she will have to come up with \$575 to pay back her loan. If she doesn't have the money, she will have to roll the loan over another week, paying an additional \$75, starting a cycle of debt that could last months, if not years. In one year, as much as \$1,950 in fees could be paid without reducing the original \$500 loan.

Let's get rid of the check casher's law that allows this to happen. ■

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