



Home | News | Weather | Sports | Your Money | Entertainment | NewsLinks | Site Search

NEWSLINKS

News

Local News

NowStream 16

Video

Desktop Alerts

Email Alerts

Nowcast Mobile

Nowcaster

Photos

Arkansas News

Education in
Arkansas

National News

International
News

Weird News

Podcasts

RSS Feeds

Top 16 Stories

You Decide 2006

ID Theft

Middle East
Conflict

Forums

About Us

Meet Our Team

What's On

Contact Us

Special Sections

Car Soup

Friday Night
Tailgate

Campus

Connection

Dining Rewards

Arkansas Times

El Latino

Nowcast eAlerts

Desktop Alerts

One Class at a
Time

Your Money

Pump Patrol

Good Earth
Green House

NowStream16
Video

Entertainment

Pro Football
Challenge

Feedback

Forums

Photo Galleries

Payday Lending Debate

Posted on 11/2/2006 9:00:00 PM

Get this story and more on your cell phone at mobile.fox16.com

[Watch this story using NowStream16](#)

Are payday lending companies charging fees or illegal interest rates? That's the question the consumer advocate group, Arkansans Against Abusive Payday Lending asked the Supreme Court this morning as it appeals the decision of a Pulaski County Circuit Court Judge who said the fees are constitutional.

According to the consumer advocate group Arkansans Against Abusive Payday Lending the problem starts with payday loans or small loans between 100 and 500 dollars. They add the way current law is written, those who borrow right here in the State of Arkansas can expect to pay up to 800 percent in annual interest.

Today at the Supreme Court it was a battle at the highest level to stop high interest rates opponents say payday lending companies are charging.

Matt Price with Arkansans Against Abusive Payday Lending says, "Payday lending is basically short term, small dollar loans that are charged 3 digit interest rates."

Arguments between the lawyer who represents Arkansans Against Abusive Payday Lending, says the check cashing act passed in 1999 is unconstitutional. That act limits interest on consumer loans to 17 percent. But those against the act say the law was written to provide a loophole enabling lending companies to charge fees that some say can be seen as outrageous interest rates.

Tom Thrash says, "The act does not address that at all."

Tom Thrash lawyer for the state board of collections says it was a different battle all together. One that centers around a chain of dispute. He says instead of pleading their case to the Supreme Court, the group should have gone directly to the State Board of Collections. It regulates the lending industry.

Thrash says, "If a statute is being administered by a state agency and you contest the constitutionality of that statute you have to go to the state agency first."

Search This Site

Go

powered by Google

[Print Story](#)

[E-mail Story](#)

[Discuss This Story](#)

[Español](#)

[XML RSS Feeds](#)

[POD Podcasts](#)

Related Links

[Arkansans Against Abuse of Payday Lending](#)

FOX 16 is not responsible for the content of external internet sites

smadaus

HEADLINES

[Democratic Supporters Gather for Clinton Visit](#)

[New Building in Little Rock](#)

[Daniels Predicts Smooth Sailing on Election Day](#)

[34 Arkansas Legislative Races to be Decided Tuesday](#)

[Mother Charged with Killing Children Survives Jail Overdose](#)

[Pulaski County Poll Workers Ready for Election](#)

[Sheriff Under Fire](#)

[Thirty-Three Homeless From LR Apartment Fire](#)

[Parties Getting You to the Polls](#)

[Stolen Elmo Dolls](#)

[Fire Truck Gets into Accident](#)

[New Arkansas Anti-Obesity Program Launched](#)

[Arkansas State Revenues Slow Down in October](#)

[AR Supreme Court Hears Payday-Lending Case Arguments](#)

[Lawmakers Endorse Bigger Budget for Racing Commission](#)

[Arkansas to Look Into Recruiting More Dairies](#)

[More Than 98,000 Ballots Cast in Early Voting](#)

700 Name Bro
NO RETAIL MA



Direct
The #1 way to buy direct for you
CLICK H



Get your local
High School fo
scores and high
first only



with
David Raath

- [Contests](#)
- [Subscribe](#)
- [Guides](#)
- [Apartment Hunters](#)
- [DTV Answers](#)
- [Legal](#)
- [Tech](#)
- [Home Guide](#)
- [Baptist Health Guide](#)
- [Find a Job](#)
- [Community](#)
- [Events](#)
- [Kids Zone](#)
- [TV Ratings](#)
- [FOX 16 Jobs](#)
- [Links](#)
- [Find a Person/Biz](#)
- [Coupons](#)
- [Clear Channel](#)
- [FOX Network](#)
- [CW Arkansas](#)

But those against the current law say the bottom line, it's costing borrowers too much.

Price says, "These loans are very predatory among low to moderate income populations. They strip up to 68 million dollars out of the state a year and are killing our communities and small towns."

According to the center for responsible lending they say the average borrower pays 800 dollars just to borrow 325 dollars.

www.stoppaydaypredators.org

- [Discuss this story in the FOX16 Nowcaster Community Forums](#)
- [Be the first to know with Nowcast eAlerts sent to your inbox](#)
- [Got story idea or tip? Let us know.](#)

- ▶ [Police vs. Tugboat](#) 🗑️
- ▶ [Campaign Finances Persuade Votes](#) 🗑️
- ▶ [Chicken Pox Outbreak](#) 🗑️
- ▶ [New Shopping Arrives in Little Rock](#) 🗑️
- ▶ [Sheriff Mask Fights Back](#) 🗑️
- ▶ [Health Officials Urge Arkansans to Get Flu Shots](#)
- ▶ [Woman in deputy shooting case deported](#)

Get rewarded for your excellent credit with a **Capital One® No Hassle Miles™ Card**



- ✓ NO MILES EXPIRATION
- ✓ FLY ANY AIRLINE, ANY SEAT, ANY TIME
- ✓ NO ANNUAL FEE

[Apply Now](#)



TM & © Clear Channel Broadcasting, Inc.

Many pages in the FOX 16 Web site feature links to other sites, some of which are operated by companies unrelated to KLRT FOX 16.

KLRT FOX 16 has no control over the content or availability of any linked site.

TM and © KLRT FOX 16., and its related entities. All rights reserved. Any reproduction, duplication, or distribution in any form is expressly prohibited.

Legal Notices. "KLRT", recognizes the privacy interests of visitors to this site on the Internet. Click [here](#) for a full description of KLRT's policy for this site.

This site is hosted and managed by [Inergize Digital Media](#)



© 2006 CLEAR CHANNEL BROADCASTING, INC. | [TERMS OF USE](#) | [PRIVACY STATEMENT](#) | [COPYRIGHT & TRADEMARK NOTICE](#)