

0-07-77

ORDINANCE NO. 7985

**AN ORDINANCE DECLARING A MORATORIUM ON NEW CHECK CASHING BUSINESSES IN NORTH LITTLE ROCK; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES**

WHEREAS, "Check-cashing business" is a term that is defined by Ark. Code Ann. § 23-52-102 and functionally equivalent to the common terms "Payday lender" and "Payday loan company"; and

WHEREAS, the Better Business Bureau of Arkansas has determined that Check-cashing businesses do not meet the very basic standards of ethical marketplace conduct required of BBB members, as evidenced by the letter that is attached hereto as Exhibit A; and

WHEREAS, several citizens have complained about the abusive practices of Check-cashing businesses; and

WHEREAS, the number of Check-cashing businesses in North Little Rock is disproportionately larger than the other cities in Pulaski County with several Check-cashers locating in close proximity to one another; and

WHEREAS, the City and requires time to study the proper zoning restrictions that should be placed on Check-cashing businesses.

NOW THEREFORE BE IT ORDAINED IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That there is hereby declared a moratorium of twenty-four (24) months on the establishment of any new Check-cashing businesses (as defined by Ark. Code Ann. § 23-52-102) in the City of North Little Rock. In furtherance of this moratorium:

- (a) The Department of Community Planning is directed to conduct a study of proper zoning restrictions for Check-cashing businesses and report the results of the study when completed. If not completed within twenty (20) months, the Department of Community Planning will tender a progress report so that a timely decision can be considered prior to the expiration of the moratorium.
- (b) No city business license may be issued to any Check-cashing business during the moratorium, except for the normal renewal of a license that was previously issued.

- (c) No city business license may be issued to any Check-cashing business unless the applicant has a valid permit issued by the State Board of Collection Agencies.
- (d) Any person who establishes a new Check-cashing business within the municipal limits of the City of North Little Rock during the period of this moratorium, or any extension thereof, may be punished by a fine not to exceed five hundred dollars or, if the violation is continuing in nature, by a fine not to exceed \$250 per day.

SECTION 2: That the City Attorney is directed to forward a certified copy of this ordinance to the Executive Director of the Arkansas State Board of Collection Agencies.

SECTION 3: That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 4: That the provisions of this Ordinance are hereby declared to be severable and if any section, phrase or provision shall be declared or held invalid, such invalidity shall not affect the remainder of the sections, phrases or provisions.

SECTION 5: It is hereby found and determined that there is an immediate need for a moratorium on new Check-cashing businesses in North Little Rock to afford appropriate time to study the establishment and application of proper zoning regulations; THEREFORE, an emergency is hereby declared to exist, and this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED:

9/00/07  
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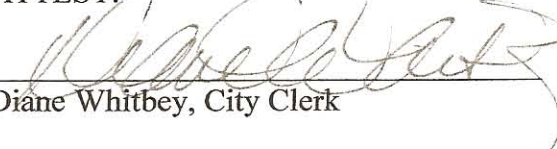
APPROVED:

  
Mayor Patrick H. Hays

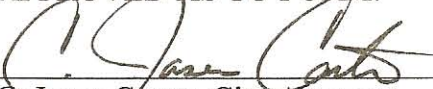
SPONSOR:

  
Mayor Patrick H. Hays

ATTEST:

  
Diane Whitbey, City Clerk

APPROVED AS TO FORM:

  
C. Jason Carter, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/J

FILED 11:54 A.M. \_\_\_\_\_ P.M.

BY City Atty Carter

DATE 8-21-07

Diane Whitbey, City Clerk and Collector  
North Little Rock, Arkansas

RECEIVED by A. Hodge