

Payday Lending Press Conference

February 24, 2010



Good afternoon. My name is Alexandra Fitzsimmons and I am the Policy Director for the Minnesota Catholic Conference.

Our faith calls us to respect the inherent human dignity of all people, place first the needs of our neighbors who are struggling, and pursue the common good. These principles, in conjunction with our teachings on economic justice, obligate us to question current payday lending practices – specifically, loophole lending practices.

Many Minnesota families are struggling, living paycheck to paycheck. When these already struggling families experience an unexpected expense, they often turn to payday lenders. Many of our neighbors become trapped in a cycle of payday loan debts, which push families further into crisis. Loophole lending programs, which charge excessive interest rates, are doing more harm than good for our neighbors who are in need of short-term loans. Usury and exploitation are always wrong. Lending practices that take advantage of a family's or individual's desperate circumstances, though legal, are unjust.

We must place first the needs of our neighbors throughout the State who are struggling. Loophole lending practices harm families, communities and local businesses, victimizing those among us who can least afford it.