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***Christian leaders plead for Arizona legislators to reject usurious lending bill, SB 1316***

Phoenix, AZ –On Tuesday morning, prominent Arizona faith leaders came together for a press conference calling on Arizona legislatures to prevent predatory lending from being reintroduced in Arizona. Joining together across denominational lines as Faith United Against Usury, they presented strong evidence and arguments against predatory lending, its usurious nature, and its negative impact on Arizona’s poor.

Senate Bill 1316 is designed to allow payday lenders to charge triple-digit interest rates, something that the voters clearly rejected in a 2008 ballot initiative. The payday lenders’ proposal was resurrected as a “strike-everything” bill to SB 1316, after the original bill, SB 1447, failed in a bi-partisan committee vote earlier this session. SB 1316 was passed out of the House Ways and Means Committee with only Republicans voting in favor. SB 1316 allows payday lenders to make so-called "flex loans," which will carry rates as high as 204% APR.

Tuesday’s call was moderated by David Bennett, executive director of Barrio Nuevo. He stated that the faith leaders gathered together because “any more forms of predatory lending will only increase the existing poverty in our cities.”

He was followed by Senior Pastor of First Institutional Baptist Church, Warren Stewart Senior. Pastor Stewart, warned that SB 1316 would hurt, not help, his community. Just like the payday lenders’ proposal last year, he said, the bill “pours more dirt on top on people who are buried under mountains of troubles and struggling just to make ends meet. Plain and simple. It is immoral.”

Pastor José Gonzalez of Arizona Christian Link in Phoenix, called Christians into action. He stated, “Our leaders in Phoenix need to be reminded of these lessons. As Christians, we must stand up and say no to loans that charge 204% interest. Usury was wrong 2000 years ago, and it's wrong now.”

Pastor Glen Foster of Pantano Baptist Church in Tucson explained why Christians care about businesses, like payday lenders, which are based on exploitation of the poor. “Scripture teaches us to respect the God-given dignity of each person. The payday lenders’ business model is keeping our brothers and sisters in the long-term debt trap, exploiting their financial struggles rather than aiding them.”

Echoing these concerns, Pastor Reginald Walton of New Phillips Memorial CME Church in Phoenix directly addressed payday lenders’ claims that their proposals offer more choices to poor Arizonans. Walton asked, “would you either have someone burn your house down or run it over with bulldozer? Would you rather be put in shackles or in chains? Go hungry or eat rotten meat?” He continued, “That’s what the proponents of this bill mean when they say that SB 1316 gives borrowers a choice. Don’t be fooled. A choice that will trap Arizona families in a relentless cycle of debt isn’t a choice at all.”

Faith leaders are also deeply concerned about the impact on their charitable resources, which are already strained by the having to help people escape car-title loans carrying 204% APR. Dan Tottington of the St. Vincent DePaul Society in Tucson is worried that SB 1316 will exacerbate this strain: “Instead of working with the faith community and non-profits to truly address the needs of low-income populations, our legislators are trying to introduce another predatory product in the state. And I am here to tell you. A \$2,500 loan that becomes an \$11,000 loan will not just crush Arizona’s borrowers. It will crush charities like St. Vincent’s de Paul.”

The call concluded with another call to action and a prayer by Pastor Warren Stewart Junior of Remnant Church in South Phoenix “I would caution all Arizona legislators to remember they serve the people – not the payday industry or its lobbyists. Deceptive legislation that ignores the will of the people is simply not public service. When it comes to predatory payday lending, I pray that light will shine brightly to expose the harms it causes and in so doing find the collective will to stop it once and for all.”

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