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# TIMES RECORD

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## Attorney Wants Payday Lender To Pay

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**LITTLE ROCK** — A \$191,000 judgment against a payday lender in Pope County should be enforced, the State Board of Collection Agencies was told Wednesday.

The board was asked to tap the payday lender's \$50,000 surety bond to help pay the judgment. State law requires such businesses to have surety bonds.

"Clearly (the payday lender) violated the law here, and we submit that we're entitled to have (the board) call in that bond," at-

torney Todd Turner told the collection agency board.

The class-action lawsuit was filed in 2002 against Arkansas Check Express in Russellville, alleging the payday lending company was violating the state's usury law.

In late 2003, the plaintiffs received a \$191,000 judgment. The lender was unable to pay the judgment and has gone out of business.

Turner, attorney for the plaintiffs, later sued Old Republic Surety Co., the company that issued the \$50,000 surety bond. A Pope County circuit judge or-

dered the company to pay the \$50,000 to cover part of the judgment.

Old Republic Surety Co. appealed the decision to the state Supreme Court. The high court ruled that the plaintiffs had to ask the State Board of Collection Agencies for the \$50,000.

Wednesday, Turner urged the board to rule in favor of the plaintiffs who he said were charged excessive fees so they could cash their paychecks.

Morrilton attorney Joel Taylor, representing Old Republic Surety Co., urged the board to deny Turner's request. He admitted

that Arkansas Check Express did agree to the \$191,000 judgment with Turner and his clients, but added that the circuit judge who handled the case never ruled the firm had violated state law.

The board, after hearing the arguments, said it needed time to consider the case. Board chairman Rusty Guinn of Jonesboro said he expects a decision to be made within 30 days.

Turner has filed numerous lawsuits against payday lenders since 1999.

In each case, he argued that the state check casher's law is unconstitutional because it vio-

lates the state's usury law. While many of those cases were settled before going to trial, the problem, he said, is that the payday lenders often leave the state, go out of business or declare bankruptcy and never pay the judgments.

North Little Rock Mayor Patrick Henry Hays, who was one of the plaintiffs in the class-action case against Arkansas Check Express, described payday lending operations as "parasites on the poor." He said he got involved in the lawsuit after he saw how much money a friend was paying the company.