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*Garrick
Feldman*

Sad sight in front of check cashers

One of the saddest sights you'll see around town is a mother standing in front of a check-cashing store with her daughter.

The mother seems to hesitate before she enters, fearing perhaps that she will sign her life away when she, in effect, writes a hot check till her next payday.

If she can't repay the loan, the sharks will charge her hundreds of dollars on a small payday advance.

Maybe her husband is in Iraq, and their daughter needs new shoes and dental work.

The mother slowly opens the door, and the little girl follows her into the check cashing store, both bowing their heads, as if in prayer.

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Consumer groups claim the industry in Arkansas makes about \$65 million a year in profit — that's more than \$1 million a week. No wonder payday lenders will buy off politicians who support the industry on the backs of the working poor.

At a hearing at the Legislature last month, the payday lenders brought in a former pro football player named Willie Green, who owns a chain of check cashing stores in North Carolina, South Carolina, Kentucky and Florida.

Sitting a few feet from a couple of women who were charged thousands of dollars for a small loan, Green flashed his Super Bowl ring while he spoke to the House Judiciary Committee that was considering a bill to cut down on payday abuses, including capping interest rates at 17 percent, the legal limit in Arkansas.

Green had been flown in from North Carolina to show that blacks can exploit blacks just as much as whites can. This is the fellow who told "60 Minutes" that his wife was too smart to use a check casher — not that she'd need the money with all the stores and rings they own.

Someday, the Legislature might get tough with the loan sharks, although we were hoping this week's special session would tackle the problem, but there's no chance of that happening.

Robert Herzfeld, the Saline County prosecutor who is run-

ning for attorney general as a Democrat, says if he's elected he would close loopholes in the Check Cashers Act of 1999.

He would also support legislation "to force payday lenders to abide by the state Constitution," capping consumer loans at 17 percent annual interest, even if payday lenders call the interest they charge "fees."

He said he would also work with lawmakers, nonprofit organizations and the financial community to develop low-interest short-term loans for low-income consumers.

He knows how payday lenders sneaked into Arkansas.

"The Check Cashers Act was written by the payday lenders, for the payday lenders," Herzfeld said. "For too many years, this act has allowed these legalized loan sharks to thumb their noses at the Arkansas Constitution and gouge hard-working Arkansas families who have fallen into this economic trap while trying to make ends meet."

Why aren't Gov. Huckabee and the gubernatorial candidates speaking out on this issue?

Arkansas was once famous for its populism. We must revive that tradition and tell Willie Green and people like him that we don't need them in Arkansas.