

McDaniel Says Most Payday Outlets to Close

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Attorney General Dustin McDaniel says most of the payday lending companies operating in Arkansas have said they will close or stop issuing high-interest loans in response to his threat last month to sue them if they continued to do business in the state.

He says 59 companies covering almost all of the 156 payday lending locations that he targeted with a March 18th letter have responded. The letter informed the companies they were violating the state constitution by charging more than 17% interest.

Advance America, which operates 30 payday lending locations in the state, has said it will restructure its business to comply with the law. A spokesman for Advance America, the nation's largest payday lender, did not immediately return a call for comment.

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