

Sponsored by the Presentation Sisters

Social Justice

BE A LEADER For Life-Enhancing Change



"John" is an elderly man whose only income is his social security check. He got into a Payday loan trap because of needing car repairs. He was fortunate and found relief at the St. Francis House. As a guest, they helped him save his money and made arrangements with the company to pay off the loan in full. The Payday lender was not pleased for the early payment due to loss of rollover loans."

- Story provided by Julie Becker, St. Francis House Executive Director

Justice Is Our Work!

The Aberdeen Presentation Sisters willingly go forth to any part of the world to work for justice, alleviate oppression and promote human dignity, especially among the poor. This is done in a spirit of love and joy.

Are you concerned that Payday loans take unfair advantage of vulnerable persons? The Presentation Sisters are convinced that Payday loans, as currently operative, are unjust and undermine the common good. Fourteen states disallow them and other states are working to force reform, including SD.

Some people need access to quick, small loans. However, Payday loans are structured to entrap the needy person by coercing repeated borrowing. Payday lenders collected more than \$7 billion in fees last year through 16,000 store fronts and online. Typical fees averaged 391% nationally, and over 500% in SD. Few borrowers are able to resolve their need in one loan and many rollover ten times.

Dedicated to furthering the works of justice, we support Initiated Measure 21, which is before SD voters in November and limits Payday loans to 36% annual fee. While the industry insists it cannot operate at this limit, one wonders how Payday companies can maintain forty separate storefronts on expensive thoroughfares in Sioux Falls, if their

margins are so fragile. Select Management Resources from Georgia has poured more than \$2 million into defeating Initiated Measure 21 in SD.

They are intent on maintaining these gluttonous margins, with most profits going out of SD.

Constitutional Amendment U is a decoy initiative designed to mislead the voter by the façade of an 18% annual interest limit. However, loans can exceed the 18% limit if the borrower agrees in writing. Borrowers, desperate for a loan, have no leverage and no alternative.

Most people have experienced an emergency requiring more money than they had in their checkbook. Payday loan companies are there to capitalize on those situations."

~ Angie Bakke, CPO at EmBe and President of St. Francis House Board

Challenge Questions: Are you concerned that the Payday loan industry, as it currently operates in SD, is unjust and destructive of family life? Will you please vote YES on 21 and NO on U on November 8th?



Sister Lynn Marie Welbig is an educator, lobbyist for Justice and Teaches Leaders in Ministry with Avera Health.

Information Sources: The Consumer Financial Protection Bureau and the Pew Charitable Trusts



Sisters of the Presentation
of the Blessed Virgin Mary

In Joyful Service

Through dialogue our voice becomes clearer.
United we are stronger. Justice flourishes.

Please visit: www.presentationisters.org to learn how you can become a partner for justice.