

A Resolution Concerning Predatory Lending in Alabama

WHEREAS, protection of the poor and disadvantaged is a central principle of Christianity, and

WHEREAS, the Bible forbids usury in dozens of passages from Exodus to the Gospels, and

WHEREAS, it is reported in all four canonical Gospels how Jesus overturned the tables of the moneychangers, accusing them of turning the Temple into a den of thieves through their commercial activities, and

WHEREAS, The Book of Discipline of the United Methodist Church states in the Social Principles: “Financial institutions serve a vital role in society. They must guard, however, against abusive and deceptive lending practices that take advantage of the neediest among us for the gain of the richest. Banking regulations must prevent the collection of usurious interest that keeps people in cycles of debt.” (Social Principles, 163J Finance), and

WHEREAS, the state of Alabama allows payday lenders to charge as much as 456% APR and auto title lenders are allowed to charge 300% APR, and

WHEREAS, during the 2018 Legislative Session, a Payday Reform Bill that would have extended the initial repayment period to thirty days, instead of the current period of ten days, establishing the same monthly repayment schedules as most other payment plans passed in the Alabama Senate, but was blocked by the Payday Industry from reaching the floor of the Alabama House of Representatives, thus failing to become law.

NOW THEREFORE BE IT RESOLVED that the Alabama-West Florida Conference of the United Methodist Church calls upon the Alabama State Legislature to take up this matter again during the next legislative session and pass appropriate legislation to curb the activities of predatory lenders, and

LET IT FURTHER BE RESOLVED that United Methodists in the Alabama-West Florida Conference who are residents of Alabama be encouraged to contact their state legislators to demand that they support these efforts, and

LET IT FURTHER BE RESOLVED that a copy of this resolution be sent to the Governor of Alabama and every member of the Alabama State Legislature.

Submitted by the Board of Church and Society of the Alabama-West Florida Conference