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Oklahoma priest: Legislature should reject high-interest loan bill

By The Rev. Tim Luschen

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As a pastor, I am often asked, “What would Jesus do?” And I am comfortable with the answers, especially when I watch our elected representatives proposing legislation like House Bill 1913, which would create a high-interest loan product similar to a payday loan, but with a \$1,500 cap and a 204 percent annual percentage rate. Jesus, I believe, would just say no.

But our legislators have ignored a letter against this bill written by the Oklahoma Conference of Churches and signed by the bishops of the Roman Catholic Church, the Presbyterian Church, the United Church of Christ and the Evangelical Lutheran Church of America, among others.

They have ignored a letter signed by more than 100 clergy members organized by VOICE. They have ignored church members who have met with them in their offices. They also have ignored the people who do the work of serving the poor and most vulnerable in our state — the Homeless Alliance, Catholic Charities, the Oklahoma Women's Coalition, and AARP — who have all come out against this bill.

So perhaps a question that might get through to our legislators would be, “What would Dave Ramsey do?” Because over and over, we're hearing from our legislators that they're creating this



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high-interest loan product because single moms might get into a situation where they need a washing machine suddenly. Or a refrigerator. I cannot imagine Dave Ramsey ever advising a single mother to borrow \$1,500 with a 204 percent APR to buy such a thing — especially knowing that at the end of the first month, that mom would owe \$255 in interest alone. It's no fun to go to the laundromat, or buy a mini-fridge that's affordable until you can save up for a larger one, but it's even worse to get trapped in overwhelming debt that you can't get out of.

Our legislators are hearing from lobbyists for the industry that if federal guidelines regulating payday loans go into place, payday lenders will go out of business and people will turn to online lenders for such loans. This seems unlikely under the new administration, but if our legislators are really worried about people, they can do what 15 other states have successfully done: set a cap on the interest rates companies are allowed to charge state residents, and then go after online predators who charge our residents more. Like any rule, such a measure would require strong enforcement at the state level, which is one more reason why next year's state attorney general election is so important.

In 2014, Pope Francis said: “When a family has nothing to eat, because it has to make payments to usurers, this is not Christian, it is not human. This dramatic scourge in our society harms the inviolable dignity of the human person.”

Please urge your state senator to vote against this bill. I call on our governor to demonstrate her Christian leadership in this matter and work to defeat HB 1913.

Luschen is pastor at St. Charles Borromeo Catholic Church in Oklahoma City. House Bill 1913 was approved 59-31 in the Oklahoma House and now is being considered by the Senate.