



Birmingham City Council again delays vote on payday loan, title pawn moratorium

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By **Joseph D. Bryant -- The Birmingham News**

BIRMINGHAM, Ala. -- The Birmingham City Council this afternoon again delayed action on a **proposed moratorium on payday loan** and title pawn businesses.

The three-week delay comes after a lengthy debate and public hearing and months after the original ordinance was proposed.

More than a dozen people spoke in favor of the restrictions, while another crowd stood in opposition.

Councilwoman Lashunda Scales, who sponsored the ordinance, said the intent was to curb the proliferation of the businesses, which she said stifle other commercial development and prey on city residents.

Scales called another delay unnecessary.

"We did everything that we were asked to do," she said. The **ordinance had been revised** by city attorneys and had gone through the committee process.

But Scales ultimately did vote with the majority in its 7-2 vote to delay consideration of the ordinance.

Among the divided audience members were payday loan customers, some of whom called the businesses useful.

"I am in dire straits, as they say," said Joyce Vaughn of Birmingham. "I'm like everyone else, strapped for cash. I had nowhere to go. This was my only option."

But other former customers said the businesses exploit their customers with high interest rates that often trap people into debts they can never pay off.

A representative of AARP also spoke to the council, urging the new rules.



Birmingham City Councilwoman Lashunda Scales (Jeff Roberts/Birmingham News).

"It is predatory lending and it's unscrupulous," said Dr. Jack Bradford. "I'm talking about getting into people's pockets who can ill afford it."

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