



Indiana Catholic Conference

1400 N. Meridian Street • Indianapolis, IN 46202
Email: icc@archindy.org Website: www.indianacc.org
317-236-1455

STATEMENT ON SB 104 – SMALL LOANS

The Indiana Catholic Conference (ICC) supports SB 104 that would limit the interest rate and fees that a payday lender may charge to 36 percent APR. The ICC believes that vulnerable families in Indiana should be protected from predatory practices most people would find intolerable.

Lending practices that, intentionally or unintentionally, take unfair advantage of one's desperate circumstances are unjust and violate the seventh commandment.

The State's purpose and duty are to protect and facilitate the common good. The weakest members of society should be helped to defend themselves against usury. Laws and policies must protect them from additional burdens.

The ICC calls upon our elected officials to take action on this legislation that would move Indiana one step closer to providing families access to small loans that charge reasonable interest rates. We cannot continue to allow forms of predatory lending to exploit the poor and vulnerable among us. The ICC urges support for SB 104. While the interest rate is still considerably high, it does include fees and ancillary costs associated with loans. Limiting the cost of these loans will provide an opportunity for the borrower to pay it off and the lender to realize a reasonable profit.

The Catechism of Catholic Church states:

2409. Even if it does not contradict the provisions of civil law, any form of unjustly taking and keeping the property of others is against the seventh commandment: thus, deliberate retention of goods lent or of objects lost; business fraud; paying unjust wages; **forcing up prices by taking advantage of the ignorance or hardship of another.**

The Catholic Church teaches that it is "All economic life should be shaped by moral principles. Economic choices and institutions must be judged by how they protect or undermine human life and dignity of the human person, support the family, and serve the common good" (US bishops a Catholic Framework for Economic Life)

January 2019

Glenn Tebbe
Executive Director

Board of Directors

Archdiocese of Indianapolis
Most Reverend Charles C. Thompson, D.D., J.C.L.
General Chairman
Bill Bickel, M.T.S.

Diocese of Evansville
Most Reverend Joseph M. Siegel, D.D., S.T.L.
Diane L. Bender, J.D.

Diocese of Fort Wayne-South Bend
Most Reverend Kevin C. Rhoades, D.D.
Richard B. Urda, Jr., J.D.

Diocese of Gary
Most Reverend Donald J. Hying, D.D.
Gregory A. Sobkowski, J.D.

Diocese of Lafayette-in-Indiana
Most Reverend Timothy L. Doherty, S.T.L., Ph.D.
Joseph A. Ric