

INTRODUCED: 3/18/2019

REFERRED TO: Committee of the Whole

SPONSOR: Councillors Adamson, Jackson, Oliver, Mascari and Evans

DIGEST: calls for the rejection of Senate Bill 613

SOURCE:

Initiated by: Councillor Adamson

Drafted by: Councillor Adamson

LEGAL REQUIREMENTS FOR ADOPTION:

Subject to approval or veto by Mayor

PROPOSED EFFECTIVE DATE:

Adoption and approvals

GENERAL COUNSEL APPROVAL: _____

Date: March 14, 2019

CITY-COUNTY SPECIAL RESOLUTION NO. _____, 2019

A SPECIAL RESOLUTION calling for the rejection of Senate Bill 613.

WHEREAS, the City of Indianapolis strives to be a place where all of citizens can live, work, and raise a family without the drain of financial insecurity; and

WHEREAS, communities of color and low-income families in our city have historically suffered and continue to suffer from discriminatory and abusive financial services practices that strip wealth and make it impossible to achieve a secure financial footing; and

WHEREAS, Marion County is home to sixty payday loan storefronts that, in 2018, drained more than 12.5 million dollars in fees from working families' checking accounts; and

WHEREAS, these lenders make loans at exorbitant rates to borrowers who can least afford them, taking direct access to their checking accounts as collateral on the loan, and spurring a cycle of reborrowing that leaves many in delinquency, default, and bankruptcy; and

WHEREAS, SB 613 would not only expand what payday lenders can offer, allowing them to make much larger and longer-term loans to even lower-income borrowers, but it would also increase rates and fees for subprime auto lenders and authorize additional new predatory loan models in our state; and

WHEREAS, SB 613 changes the definition of criminal loan sharking, which is currently a felony and provides strong protection against usurious lending; and

WHEREAS, the issue of credit access, banking deserts, and predatory lending has been suggested but not studied by our legislature, now, therefore:

BE IT RESOLVED BY THE CITY-COUNTY COUNCIL OF THE
CITY OF INDIANAPOLIS AND OF MARION COUNTY, INDIANA:

SECTION 1. The City-County Council calls upon the Indiana General Assembly and the Governor of Indiana to reject Senate Bill 613.

SECTION 2. The City-County Council urges the Indiana General Assembly to engage in study of the needs of low-income borrowers and communities of color in Indianapolis with respect to credit access and lending practices.

SECTION 3. The City-County Council encourages the City of Indianapolis to engage in exploration of safe, productive alternatives to payday and other forms of usurious subprime lending that drains resources from Indianapolis families.

SECTION 4. The Mayor is invited to join in this resolution by affixing his signature hereto.

SECTION 5. This resolution shall be in full force and effect upon adoption and compliance with IC 36-3-4-14.

The foregoing was passed by the City-County Council this ____ day of _____, 2019, at ____ p.m.

ATTEST:

Vop Osili
President, City-County Council

SaRita Hughes
Clerk, City-County Council

Presented by me to the Mayor this ____ day of _____, 2019, at 10:00 a.m.

SaRita Hughes
Clerk, City-County Council

Approved and signed by me this ____ day of _____, 2019.

Joseph H. Hogsett, Mayor