



The Episcopal Diocese of East Carolina | The Episcopal Diocese of North Carolina | The Episcopal Diocese of Western North Carolina

February 23, 2015

Speaker of the House Timothy Moore  
305 East King Street  
Kings Mountain, NC 28086

Dear Speaker Moore,

We, the Episcopal Bishops of North Carolina, write to express our opposition to any legislation authorizing abusive lending practices, such as high-cost installment, payday and car-title loans. If legislation authorizing these usurious and immoral lending practices is introduced, we urge you to oppose it and help ensure it does not pass.

We believe fighting predatory lending practices is a biblical imperative for people of faith who are called to “love thy neighbor as thyself.”<sup>i</sup> Consumer loans in North Carolina are now capped at 30 percent annual interest. Proposals to increase the cost of consumer finance loans or to authorize payday and car-title loans fly in the face of the Bible’s prohibition against usury. Passages in Exodus, Leviticus and Deuteronomy prohibit usury while emphasizing the importance of protecting the poor from debt servitude.<sup>ii</sup> The prophets of old as well as our Founding Fathers all decried usury; each of the original thirteen colonies capped the annual nominal interest rate at 8 percent.<sup>iii</sup> Voices of the Old and New Testaments point us, again and again, toward God’s opposition to schemes that take advantage of the weak, the poor and the vulnerable.

In 2012, The General Convention of the Episcopal Church, the governing body of our church, passed a resolution calling for reforms to eliminate usury where it exists and for stricter laws to ensure interest rates are not so high as to actually cause the borrower to fall into a downward spiral of insurmountable debt. As you may know, North Carolina allowed one form of usury from 1997-2001: payday loans. When given the opportunity to reauthorize the law that allowed payday lending, the North Carolina General Assembly chose not to do so because of the harm it caused in our communities. Evidence indicates this can be a particularly pernicious problem for military families.

Families who live paycheck to paycheck and in states that allow predatory lending can become easily ensnared in the debt trap created by usurious products. One emergency such as an illness, an accident or a job interruption can trigger mounting debt. This debt trap strips billions of dollars from communities and families. These loans destroy hope and promise and cause unnecessary harm to families.

Our state strives to be beacon of economic opportunity built upon a level playing field. Please help us keep it that way.

We urge you not to allow the purveyors of predatory lending to operate in North Carolina.

We appreciate your attention to this issue and your public service. We pray that as you embark on a new legislative session God will give you comfort, guidance and the wisdom to govern in the best interests of all who call our state home.

If you have questions about this letter, please contact the Rt. Rev. Anne E. Hodges-Copple, bishop suffragan of the Episcopal Diocese of North Carolina, 301 North Elm Street, Suite 308-C, Greensboro, NC, 27401; (336) 273-5770.

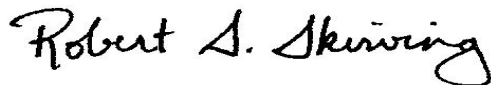
Yours in service to our neighbors,



The Rt. Rev. Michael B. Curry  
Bishop of the Episcopal Diocese of North Carolina



The Rt. Rev. Porter Taylor  
Bishop of the Episcopal Diocese of Western North Carolina



The Rt. Rev. Robert Skirving  
Bishop of the Episcopal Diocese of East Carolina



The Rt. Rev. Anne E. Hodges-Copple  
Bishop Suffragan of the Episcopal Diocese of North Carolina

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i "Thou shalt not avenge, nor bear any grudge against the children of thy people, but thou shalt love thy neighbour as thyself: I *am* the LORD. "(Leviticus 19:18) " And the second *is* like, *namely* this, Thou shalt love thy neighbour as thyself. There is none other commandment greater than these." (Mark 12: 31)

ii 25 " If you lend money to any of My people who are poor among you, you shall not be like a moneylender to him; you shall not charge him interest.<sup>26</sup> "If you ever take your neighbor's garment as a pledge, you shall return it to him before the sun goes down.  
27 "For that is his only covering, it is his garment for his skin. What will he sleep in? And it will be that when he cries to Me, I will hear, for I am gracious. (Exodus 22:25-27)

35 ' If one of your brethren becomes poor, and falls into poverty among you, then you shall help him, like a stranger or a sojourner, that he may live with you. 36 'Take no usury or interest from him; but fear your God, that your brother may live with you.  
37 'You shall not lend him your money for usury, nor lend him your food at a profit. (Leviticus 25:35-37)

19 " You shall not charge interest to your brother -- interest on money or food or anything that is lent out at interest.  
20 "To a foreigner you may charge interest, but to your brother you shall not charge interest, that the LORD your God may bless you in all to which you set your hand in the land which you are entering to possess. (Deuteronomy 23:19,20)

iii "Criticism of excessive interest rates did not come only from the realm of theologians—the prohibition against usury was also firmly embedded in the common law. The Statute of Anne, a law which dates back to 1710 England, capped the permissible annual nominal interest rate at no more than 5%. Each of the original thirteen colonies capped the annual nominal interest rate at 8%.", *BYU Journal of Public Law*, Volume 27, "Is Greed Good? A Catholic Perspective on Modern Usury" by William M. Woodyard\* & Chad G. Marzen, p. 204, [http://www.law2.byu.edu/jpl/papers/v27n1\\_William\\_Woodyard-Chad\\_Marzen.pdf](http://www.law2.byu.edu/jpl/papers/v27n1_William_Woodyard-Chad_Marzen.pdf)