

Roadmap to a Payday Lending Ordinance

Based on the process followed by the city of Moorhead, Minnesota.

1

Understand the Issue and Opportunity.

Research payday lending in your city, county, Minnesota, and nationwide. Gather relevant facts and statistics to develop a pitch.

2

Build Community Support and Identify a Champion.

Find a community leader, like a council member, a clergy member, teacher/faculty member, or college student, to champion the issue. Present and educate about the issue to city councils/commissions, social service organizations, college campuses, or other groups.

3

Review Legislative Options with City Attorney.

Analyze State Statute and work with the community to develop a compliant ordinance plan.

Move the ordinance to your City Council/commission hearing.

4

Hold Public Hearings and Invite Business Associations.

Send ordinance information to the local lender(s) and local business agency associations.

Attend, along with supportive community members, any public hearing held by the City Council.

5

Move Towards and Complete a Formal Review of Ordinance.

Ordinance should proceed to formal review following hearing (including at least two readings and publication).

Fee schedule should be adopted within the annual fee schedule ordinance. Develop initial and annual applications.

6

Share Resources with City Residents.

Create an information guide to outline short-term loan alternatives and other community resources for residents.