

Whitbey, Diane

From: H. C. "Hank" Klein <klein@aristotle.net>
Sent: Sunday, May 07, 2017 10:00 PM
To: Whitbey, Diane
Subject: RE: Subject: Special meeting of the North Little Rock City Council at 6:05 p.m. on May 8, 2017
Attachments: NLR Attorney Letter to CashMax - June 29, 2016.pdf; Senator Jane English Letter to Arkanss Attorney General- RE CashMax - January 4, 2017.pdf; ACT 944 - Credit Services Organizations - Sign Act.pdf; CashMax - Closed 4-27-2017 - 2.JPG; Arkansas Democrat-Gazette - CashMax Closes its Shop in NLR - April 29, 2017.pdf

Hi Diane Whitbey – I really appreciate you sending me the notices for each City Council meeting since I brought to your attention the fact that CashMax Loan Services was open at 4700 JFK Blvd, North Little Rock making loans to consumers at 280.82% APR.

The bad news is that General Rutledge has not taken a stand on this issue. Even after City Attorney Jason Carter wrote to CashMax on June 29, 2016 and sent a copy to the Attorney General’s office there was no action – see attached. I had also filed a formal Consumer Complaint with the Consumer Protection office on June 17, 2016, but have never received an answer. Additionally, State Senator Jane English requested a formal opinion from the Attorney General on January 4, 2017 on CashMax and is still waiting on General Rutledge’s answer – see attached.

The good news is that State Senator Jason Rapert filed a bill (SB658) in the General Assembly making it crystal clear that any fees or charges on a Credit Services Organization loan were to be considered interest and the interest rate cannot exceed 17%, as stated in Amendment 89 of our constitution. That bill passed both houses of the General Assembly, was signed by Governor Hutchinson, and became ACT 944 on April 5, 2017 – see attached. Just about that time the two CashMax stores in Hope and North Little Rock stopped making new loans and refinancing existing loans. They remained open until April 27, 2017, collecting on the loan they had already made, even though I believe those were illegal loans and were void as to principal and interest per Amendment 89. On Thursday, April 27, 2017 I noticed that ‘STORE CLOSED’ signs were put on the front doors of the CashMax office – see attached. A couple of days later an article appeared in the Arkansas Democrat Gazette to which General Rutledge’s office had ‘NO COMMENT’ – see attached.

Well, it appears that CashMax Loan Services has closed and will no longer be making predatory loans to our citizens. That is good news to me and I am sure it is to you also. What have we learned? What I have learned personally is that we can no longer count on our elected Attorney General...at least not General Rutledge to do her job to protect Arkansas citizens from predatory lenders. **But I wonder from the City of North Little Rock’s point of view is there something more that could have been done OR IS THERE SOMETHING THAT WE COULD DO NOW TO ENSURE THAT THESE HIGH COST LENDERS NEVER TRY**

TO GET AROUND THE BUSINESS LICENSE RULES OF THE CITY AND OPEN THEIR DOORS TO OFFER PREDATORY LOANS TO THE CITIZENS OF NORTH LITTLE ROCK.

I would be happy to meet with you, the mayor, city attorney and/or the councilwomen to discuss this issue – or should I just come to an upcoming city council meeting?

Your call, Hank

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FILED 8:30 A.M. P.M.
BY *Via email*
DATE 5/8/17
Diane Whitbey, City Clerk and Collector
North Little Rock, Arkansas
RECEIVED by *[Signature]*

From: DWhitbey@nlr.ar.gov [mailto:DWhitbey@nlr.ar.gov]
Sent: Friday, May 5, 2017 4:29 PM
Subject: Subject: Special meeting of the North Little Rock City Council at 6:05 p.m. on May 8, 2017
Importance: High

ALL:

FYI - A Special Call meeting has been added to Monday night's meeting. See attachments.

Thank you,

From: Carter, Jason
Sent: Friday, May 05, 2017 4:15 PM
To: Baxter, Steve <SBaxter@nlr.ar.gov>; Beth White Contact <Bethwhite11@gmail.com>; Charlie Hight Contact <CHHight@att.net>; Debi Ross Contact <DebiRoss@gmail.com>; Hight, Charlie <CHight@nlr.ar.gov>; Linda Robinson <RLERobinson@AOL.com>; Murry Witcher Contact <Murryw46@aol.com>; Robinson, Linda <LRobinson@nlr.ar.gov>; Ross, Debi <DRoss@nlr.ar.gov>; Smith, Joe <JSmith@nlr.ar.gov>; Taylor, Maurice <MTaylor@nlr.ar.gov>; Whitbey, Diane <DWhitbey@nlr.ar.gov>; White, Beth <BWhite@nlr.ar.gov>; Witcher, Murry <MWitcher@nlr.ar.gov>; Harris, Ron <RonHarris@nlr.ar.gov>
Cc: 'Jake Sandlin (Arkansas Democrat Gazette)' <jsandlin@arkansasonline.com>; 'jpeppas@nlrtimes.com' <jpeppas@nlrtimes.com>; Henderson, Becky <BHenderson@nlr.ar.gov>; Miller, Marie-Bernarde <MMiller@nlr.ar.gov>; Fields, Amy <AFields@nlr.ar.gov>; Bradley, Danny <DBradley@nlr.ar.gov>; Fisher, Julie <JFisher@nlr.ar.gov>; Hartwick, Terry <THartwick@nlr.ar.gov>; Caplinger, Jeff <JCaplinger@nlr.ar.gov>
Subject: Subject: Special meeting of the North Little Rock City Council at 6:05 p.m. on May 8, 2017
Importance: High

Honorable Members of the North Little Rock City Council:

The purpose of this e-mail is to advise you that Mayor Smith has called a special meeting of the North Little Rock City Council at 6:05 p.m. on Monday, May 8, 2017, at City Hall Council Chambers, North Little Rock, Arkansas. The following will be on the agenda: