

Pima puts limitation on payday loan shops

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Pima County on Tuesday became the largest government in Arizona to place restrictions on payday-loan offices.

By a 5-0 vote, the county's Board of Supervisors imposed zoning and permit restrictions on new payday-loan centers. The legislation does not affect the more than 100 payday-loan offices already in business.

"This is an incredible victory," said Kelly Griffith of the Southwest Center for Economic Integrity, which has battled the centers. "We are making waves."

In the past four years, the number of payday-loan offices has nearly tripled to more than 600 across Arizona.

The offices provide extremely expensive short-term loans to those who struggle to make it from paycheck to paycheck.

The Arizona Republic, as part of an investigation into the industry, in September projected that payday-loan offices in Pima County will collect \$31 million in interest this year.

Consumer rights advocates say payday-loan offices prey upon the poor.

Lee Miller, a spokesman for the industry, said government restrictions hurt consumers.

"We would, nonetheless, maintain that these competitive restrictions are ultimately poor public policy and negative for the people of Pima County," Miller said.

South Tucson and Peoria also have restrictions. Phoenix, Tempe, Mesa and Tucson are considering restrictions.

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