

## Kansas:

### I. Introducing Kansas

State Population:	2.904 million
Poverty Rate: <sup>1</sup>	13.6% (382,712) live below the poverty line (ranked 20 <sup>th</sup> in the nation)
Unemployment Rate: <sup>2</sup>	4.0% (The U.S. unemployment rate is 4.9%)
Total State Debt: <sup>3</sup>	\$6,742,696,000
Debt per capita: <sup>3</sup>	\$2,363.27
Average Credit Score: <sup>4</sup>	The average credit score in Kansas is 672, which is average/fair. The city in Kansas with the best overall credit score is Topeka with 675.
Student Loan Debt: <sup>5</sup>	\$28,008 per person on average (23 <sup>rd</sup> worst in the country)
Median Household Income: <sup>6</sup>	\$53,906 (2015), which is a 2.6% increase from 2014.
Rent vs. Own: <sup>7</sup>	223,125 (rent) vs 2,832,627 (own)

### II. Analysis of Payday Loans in Kansas

Legal Status: <sup>8</sup>	Legal
Number of Payday Loan Companies: <sup>9</sup>	352
Number of McDonald's: <sup>10</sup>	147

<sup>1</sup> "Kansas" Talk Poverty. Accessed March 28, 2017.

<https://talkpoverty.org/state-year-report/kansas-2015-report/>

<sup>2</sup> "Kansas Economy at a Glance" Bureau of Labor Statistics. Accessed March 28, 2017.

<https://www.bls.gov/eag/eag.ks.htm>

<sup>3</sup> "State Debt" Ballotpedia. Accessed March 6, 2017. [https://ballotpedia.org/State\\_debt](https://ballotpedia.org/State_debt)

<sup>4</sup> "What states have the best credit scores?" Deseret News. Accessed March 28, 2017.

<http://www.deseretnews.com/top/3771/0/What-states-have-the-best-credit-scores.html>

<sup>5</sup> "State by State Data" The Institute for College Access & Success. Accessed March 6, 2017.

<http://ticas.org/posd/map-state-data#>

<sup>6</sup> "Spouses head back to work, boost household income in Kansas" The Wichita Eagle. Accessed March 28, 2017.

<http://www.kansas.com/news/business/article102212552.html>

<sup>7</sup> "Quick Facts: Resident Demographics" National Multifamily Housing Council. Accessed March 6, 2017.

<http://www.nmhc.org/Content.aspx?id=4708>

<sup>8</sup> "Payday Lending State Statutes" National Conference of State Legislatures. Accessed 6, 2017.

<http://www.ncsl.org/research/financial-services-and-commerce/payday-lending-state-statutes.aspx>

<sup>9</sup> "Payday Lending Abuses and Predatory Practices" Center for Responsible Lending. Accessed March 28, 2017.

<http://www.responsiblelending.org/state-of-lending/reports/10-Payday-Loans.pdf>

<sup>10</sup> "McDonald's vs. Payday Lenders" California State University Northridge. Accessed March 6, 2017.

[http://www.csun.edu/~sg4002/research/mcdonalds\\_by\\_state.htm](http://www.csun.edu/~sg4002/research/mcdonalds_by_state.htm)

Number of Payday Loans Taken Out: <sup>11</sup>	\$436,251,200 payday loan volume total
Average # of Loans per Store: <sup>12</sup>	3,541 loans per store
Average Loan Amount: <sup>12</sup>	\$382
Maximum Loan Amount: <sup>13</sup>	\$500
Loan Term: <sup>14</sup>	7-30 days
Rollovers Permitted: <sup>14</sup>	No
Fees and Finance Charges: <sup>14</sup>	15% of the loan amount
Finance Charge on a 14-day \$100 Loan: <sup>14</sup>	\$15
APR on a 14-day \$100 Loan: <sup>14</sup>	390%
Maximum # of Outstanding Loans at a Time: <sup>14</sup>	Two – May not make more than 3 loans to a borrower within a 30 day period.

### III. Analysis of Title Loans in Kansas

Total Title Loan Fees: <sup>14</sup>	\$45,769,329 (\$65,437,680 in payday loan fees)
Legality of Title Loans:	Not legal (structured as open-end credit)
Loopholes: <sup>15</sup>	Title lenders in Kansas exploit loopholes in order to charge triple digit interest rates. Car-title lenders in Kansas avoid a 36 percent annual rate cap that applies to closed-end small loans by making open-ended car-title loans at 264 to 360 percent.
Average Rate of Title Loans:	264-360% per year

<sup>11</sup> “Payday Lending Abuses and Predatory Practices” Center for Responsible Lending. Accessed March 28, 2017.

<http://www.responsiblelending.org/state-of-lending/reports/10-Payday-Loans.pdf>

<sup>12</sup> “J-2 Payday Loan Regulation” Kansas Legislative Research Department. Accessed March 28, 2017.

<http://www.kslegresearch.org/KLRD-web/Publications/2015Briefs/2015/J-2-PaydayLoanRegulation.pdf>

<sup>13</sup> “Kansas State Information” Payday Loan Consumer Information. Accessed March 6, 2017.

<http://www.paydayloaninfo.org/state-information/24>

<sup>14</sup> “Payday and Car Title Lenders Drain \$8 Billion in Fees Every Year” Center for Responsible Lending. Accessed February 15, 2017.

[http://responsiblelending.org/sites/default/files/nodes/files/research-publication/crl\\_statebystate\\_fee\\_drain\\_may2016\\_0.pdf](http://responsiblelending.org/sites/default/files/nodes/files/research-publication/crl_statebystate_fee_drain_may2016_0.pdf)

<sup>15</sup> “Driven to Disaster: Car-Title Lending and Its Impact on Consumers” CFA. Accessed February 15, 2017.

<http://www.responsiblelending.org/other-consumer-loans/car-title-loans/research-analysis/CR-L-Car-Title-Report-FINAL.pdf>

Number of Title Loan Companies: <sup>16</sup>	86
Population per Lender: <sup>17</sup>	24,723
Number of Title Loans Taken Out: <sup>18</sup>	19,522 (a total loan volume of \$20,341,924)
Maximum Loan Amount:	No Limit.

#### IV. Regulating Payday and Title Lenders in Kansas

Legal Assistance:	<a href="https://kansasmoney.gov">https://kansasmoney.gov</a> <a href="#">Kansas Catholic Conference</a> <sup>19</sup>
Regulator: Office of the State Bank Commissioner	Address: 700 SW Jackson, Suite 300 Topeka, KS 66603 Phone: (785) 296-2266 Fax: (785) 296-6037 Website: <a href="http://www.osbckansas.org/">http://www.osbckansas.org/</a>
State Information:	Website: <a href="https://www.kansas.gov/">https://www.kansas.gov/</a>

#### References:

<sup>16</sup> “Driven to Disaster: Car-Title Lending and Its Impact on Consumers” CFA. Accessed February 15, 2017.

<http://www.responsiblelending.org/other-consumer-loans/car-title-loans/research-analysis/CR-L-Car-Title-Report-FINAL.pdf>

<sup>17</sup> “Driven to Disaster: Car-Title Lending and Its Impact on Consumers” CFA. Accessed February 15, 2017.

<http://www.responsiblelending.org/other-consumer-loans/car-title-loans/research-analysis/CR-L-Car-Title-Report-FINAL.pdf>

<sup>18</sup> “Car-Title Lending” Center for Responsible Lending. Accessed February 13, 2017.

<https://www.tml.org/p/Center%20For%20Responsible%20Lending%20Car%20Title%20Loans%20Report.pdf>

<sup>19</sup> “Kansas Catholic Conference pursuing tougher laws for payday loans” The Wichita Eagle. Accessed March 28, 2017.

<http://www.kansas.com/news/politics-government/article5363700.html>