

# LOUISIANA VOTERS OVERWHELMINGLY SUPPORT 36% RATE CAP

## LOUISIANA



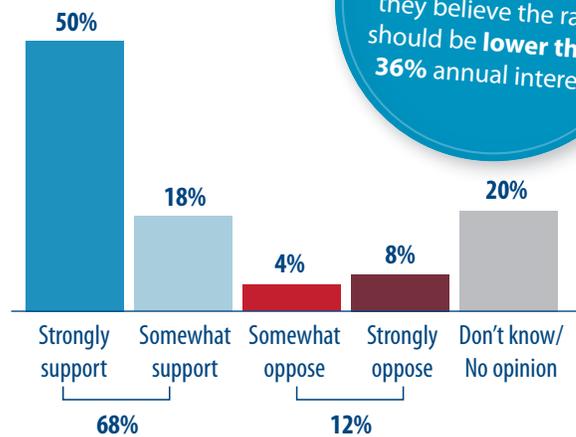
**LA payday lenders disproportionately HARM:**  
LOW-INCOME FAMILIES • PEOPLE OF COLOR

**FOR MOST OF** Louisiana's history, state laws prevented payday lenders from operating, subjecting them to a 12% usury cap for loans. However, in 1999, the legislature passed a law exempting payday lenders from the state's usury limits. Now payday lenders charge rates as high as 478% APR for a payday loan, trapping thousands of Louisianans in long-term cycles of debt that often result in bankruptcy, bank account overdrafts, and delinquency on other bills. Payday lenders drain over \$145 million in fees from state residents each year. Louisianans want reform proven to stop the debt trap—a true rate cap on payday loans that limits the maximum rate to 36%.

**68%**  
of Louisiana voters  
support a **36%**  
interest cap on  
payday lenders

**50%**  
Strongly  
support  
the **36%**  
rate cap.

**POLLING QUESTION:** "As you may know, the average annual interest rate on payday loans is 391%. Would you support or oppose a proposal to put a cap on the interest rates that payday lenders may charge at 36% annual interest?"

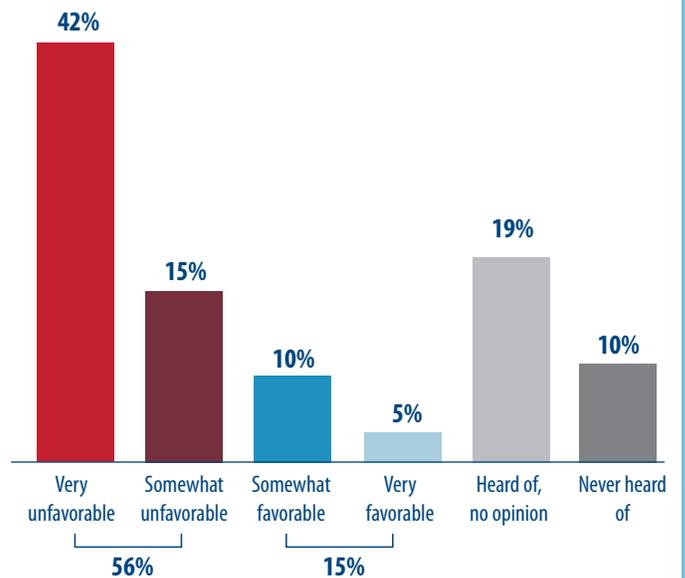


57% of the voters who oppose a 36% rate cap do so because they believe the rate should be **lower than 36%** annual interest

**56%**  
of Louisiana voters  
have an unfavorable  
opinion of payday  
lenders

**42%**  
of Louisiana  
voters have a  
very unfavorable  
opinion of  
payday lenders

**POLLING QUESTION:** "Do you have a favorable or unfavorable impression of the following: Payday lenders?"

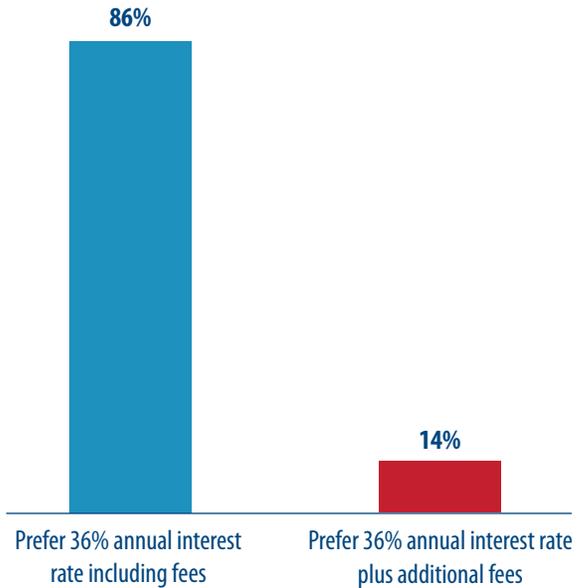


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Voters overwhelmingly prefer all-in rate cap

**86%** of Louisiana voters prefer a rate cap that includes fees on loans for all consumers

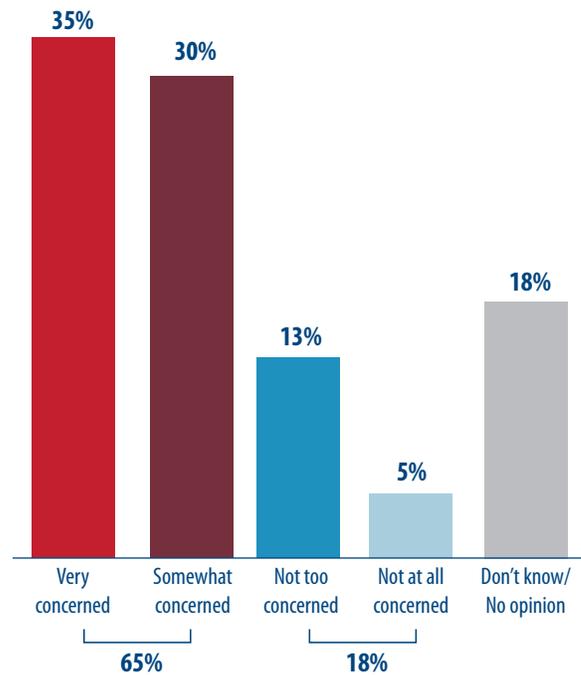
**POLLING QUESTION:** "As you may know, loans issued to members of the military are capped by federal law at 36% annual interest including fees. Some have suggested that another way to cap loans for all consumers would be to cap them at 36% annual interest plus additional fees in addition to the annual interest. Which of the following options would you prefer for all consumers?"



**65%** of Louisiana voters are concerned about rate cap evasion

**35%** of Louisiana voters are very concerned about high-cost lenders arranging loans through banks at rates higher than state laws allow

**POLLING QUESTION:** "As you may know, in some states, state law already prohibits payday lenders from charging more than 36% annual interest. Banks, however, are not subject to state interest rate limits. In states with interest rate limits, payday or other high-cost lenders sometimes avoid state rate limits by arranging high-cost loans to consumers through banks. These loans often have 100% annual interest rates or higher even in states with lower rate limits. How concerned are you about the ability of high-cost lenders to arrange loans through banks at rates higher than state laws allow?"



**METHODOLOGY:** This poll was conducted between January 9–15, 2020 among a national sample of 9,962 registered voters. The interviews were conducted online, and the data were weighted to approximate a target sample of registered voters based on age, educational attainment, gender, race, and region. Results from the full survey have a margin of error of +/- 1%. State results use a statistical technique called multilevel regression with post-stratification (MRP) to estimate state-level public opinion from the national survey data for a specific month. Responses to each survey question are modeled via multilevel regression as a function of both individual level and state-level variables. Morning Consult models use age, gender, education, and race as individual-level predictor variables. For state-level variables, Morning Consult chose variables that may influence state-level vote choice such as the percent change in state gross domestic product (GDP), state unemployment rates, state median household income, and state-level outcomes from the 2016 presidential election. Morning Consult obtained population parameters for registered voters from the November 2016 Current Population Survey. Morning Consult applied post-stratification weights at the state level based on gender, age, educational attainment, and race using the American Community Survey (ACS). Figures may not add to 100% due to rounding.