



County Commissioners Urge YES Vote on Issue 5

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Citing concerns over the economic impact that payday loans have on local communities, the County Commissioners' Association of Ohio (CCAO) announced today that it is formally endorsing a "yes" vote on Issue 5.

A "yes" vote is a vote to preserve Ohio's new payday lending reform law and cap the annual interest on payday loans at 28 percent, down from the 391 percent APR typically charged under the old law.

"Reckless lending, whether on Wall Street or Main Street, hurts more than those who borrow money. It leads to added stress on local governments and other providers of social services," said **Lake County** Commissioner Dan Troy, a Democrat and CCAO president. "Counties are already struggling to balance their budgets."

In separate actions across Ohio, individual county commissions adopted resolutions in support of the "yes" vote, issued news releases decrying the lenders campaign tactics and called on voters to carefully read ballot language that requires those who want to say "no" to payday lending to vote "yes" on Issue 5.

In **Clark County**, Commissioner John Detrick said payday lenders invited the new state regulations by failing to police themselves.

Wood County Commissioner Tim Brown agreed with Detrick, calling the new regulations "reasonable" and pointing out that the 28 percent interest rate cap is the same rate charged on credit cards issued by most major banks.

Lucas County Commissioner Pete Gerken implored voters to end "outrageous payday lending practices" and announced plans to offer a resolution at today's commission meeting that formally endorses the "yes" vote.

"Issue 5 is a question of right and wrong," Gerken said. "Are we going to allow these shady organizations to continue charging 391 percent interest, or are we going to vote 'yes' and keep these common-sense regulations on our books?"

A resolution adopted by the **Lorain County** Commission states that Ohio's payday reform law "keeps borrowers from being caught in the debt trap, a cycle where customers borrow repeatedly to pay off previous loans.... Deceptive petition circulators and misleading ballot language are adding to the confusion among voters."

Medina County Commissioners adopted a resolution Monday that stresses the negative economic impact of payday loans and notes that opposition to Ohio's reform law comes "mostly from the payday lending industry."

In **Summit County**, Akron City Council joined with the county executive to pass a resolution last night that urges a "yes" vote on Issue 5. The resolution points out that Ohio's new payday lending reform law resulted from more than three years of work by the Ohio Coalition for Responsible Lending and "overwhelming" support from Democrats and Republicans in the Ohio General Assembly.

In **Franklin County**, Commissioner Mary Jo Kilroy said the new law will free people from the debt trap so prevalent under the old law. "Voting 'yes' on Issue 5 will help keep emergency loans available but without forcing many families to keep borrowing again and again to pay off previous loans. These predatory lending practices must be stopped."

Montgomery County adopted its "yes" on Issue 5 resolution last week and Commissioner Debbie Lieberman said the panel was motivated by a desire to help local residents but also condemn what she called "one of the most dishonest campaigns in Ohio history."

Lieberman pointed out that many of the lenders' campaign ads never mention payday lending and she asked, "If payday loans are truly a good product, why are the lenders spending so much money to hide what this issue is really about?"

CCAO represents Ohio's 87 Boards of County Commissioners and the Summit County Executive and Council. Its mission is to promote best practices in the administration and management of county government.

The Association joins a diverse coalition of supporters working to keep Ohio's payday reform law in place. They include: Gov. Ted Strickland, Senate President Bill Harris, House Speaker Jon Husted, Columbus Mayor Michael Coleman, Dayton Mayor Rhine McLin, Youngstown Mayor Jay Williams, Cleveland Mayor Frank Jackson, Cincinnati Mayor Mark Mallory, Akron Mayor Don Plusquelic, AARP, Ohio Municipal League, United Way of Central Ohio, Summit County United Way, Ohio Farm Bureau, Ohio Association of Second Harvest Food Banks, Habitat for Humanity, Ohio Manufacturers' Association, Center for Responsible Lending, Ohio AFL-CIO, Ohio Roundtable, Ohio Association of Community Action Agencies, Coalition on Homelessness and Housing in Ohio, Cleveland NAACP, the Catholic Conference of Ohio, East and West Ohio Conference of the United Method Church, Ohio Council of Churches and World Harvest Church.

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