



## Rivals for Ohio Attorney General Join With Past Attorneys General To Urge a YES Vote on Issue 5

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**COLUMBUS** - Ohio's major party candidates for attorney general joined with three former attorneys general on Wednesday to condemn the payday lenders' latest deceptive advertising and urge Ohioans to lower the interest on payday loans by voting YES on Issue 5.

Republican Attorney General candidate Mike Crites and Democratic rival Richard Cordray said preservation of the reform law is one of the few issues that unites them - and is an issue that should unite the electorate.

The national payday lobby is attempting to overturn Ohio's new payday lending reform law that caps the annual interest on loans at 28 percent, down from the 391 percent typically charged on a two-week loan.

Cordray, who is Ohio's state treasurer, pointed to the recent troubles on Wall Street and asked, "Haven't Ohioans had enough of fancy financing that hurts families and communities? Payday loans hurt families and communities."

Crites, a former state and federal prosecutor, disputed a recent mailing paid for by the lenders that said Ohio's new law will expose borrowers' financial data to Internet hackers.

"This is another smokescreen that's being used to mislead voters," Crites told a Columbus news conference.

The lenders are referring to a provision in the new law that requires the state to keep a database of those who take out payday loans. Its purpose is to ensure that lenders comply with a provision in the law that limits to four the number of loans a borrower can take out each year.

The contents of the database are not a public record, Crites said, and he noted that a database run by the lenders has resulted in serious privacy breaches around the nation.

In Virginia, Check 'n Go was fined \$100,000 to settle a case after charges that it illegally used customer information to access borrowers' bank accounts, and the Texas Attorney General settled with the same lending chain after a year-long investigation into the company's handling of personal records.

Cordray disputed the lenders' assertion that the "yes" vote would cost Ohio 6,000 jobs.

"The state has avenues for lenders to pursue to serve people who need short-term loans," Cordray said. "Of the 1,378 lenders in Ohio, 702 have applied for or received licenses under the Small Loan Act and 550 have sought an Ohio Mortgage Loan Act license. Both licenses allow lenders to make small loans -- but do so at a much lower interest rate."

Both the job-loss figure and warnings about the database are contained in a new mailing the lenders sent to those who requested an absentee ballot.

Former Attorney General Betty Montgomery pointed out that the mailing never mentions "payday lending" and she asked, "If this is such a good product, why are they afraid to talk about it?"

Montgomery, attorney general from 1995 to 2003, called the mailing is "false, misleading and its deceptive," and said, "If this was a business practice, instead of a campaign mailing, the attorney general would be prosecuting them right now."

Lieutenant Governor Lee Fisher, who also serves as the Director of the Ohio Department of Development, could not attend the news conference but issued a statement that said, "Voting 'yes' on Issue Five will protect the people of our state from predatory lending practices - such as 391 percent interest rates. These high interest rates have cost consumers their hard-earned money for too long."

Fisher, a Democrat, was attorney general from 1991 to 1995.

Former Republican Attorney General Jim Petro cautioned voters to read the ballot language clearly because this year's ballot is long - and the Issue 5 language can be confusing.

"A 'yes' vote is a vote to restrain greed," Petro said. "A 'yes' vote keeps in place a very good and very necessary law that protects consumers from greed."

Petro served as attorney general from 2003 to 2007.

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