



Coalition on Homelessness  
and Housing in Ohio  
**COHHIO**

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**Payday Lending Petition Circulators  
Buy Signatures From Homeless,  
Mislead Voters With Promises Of Lower Interest Rates**

COLUMBUS – Petition circulators for the national payday lending lobby illegally paid homeless men to sign referendum petitions for its campaign to undermine Ohio's new payday reform law and have routinely misled voters by insisting that the referendum would lower interest rates – not raise them.

Voters from around Ohio took part in a Tuesday news conference to expose the illegal payments and the false information being used by the petition circulators.

Two residents of a Butler County homeless shelter, CHOSEN, joined the news conference by phone and said petition circulators showed up at the shelter and paid more than a dozen residents \$1 each to sign – a practice banned under Ohio law.

Charlie Schirmer and Connie Smithers said word spread quickly through the shelter that cash was being offered to those who signed.

“What is at stake here is nothing less than the integrity of the petition-gathering process,” said Tom Allio, who hosted the press conference and chairs the Ohio Coalition for Responsible Lending. “Referendum leaders have a moral and legal obligation to ensure that those who work for them are properly trained, fully transparent and truthful in all their representations to signers. In fact, they should make such a pledge today.”

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The referendum is being financed by the national payday lobby, which hopes to continue charging 391 percent APR on two-week loans. A success at the ballot would undermine the state's new payday lending reform law, which caps interest at 28 percent annually. The new law is scheduled to take effect September 1.

Also at the news conference:

- Toledo City Councilman Frank Szollosi said he was asked to sign a petition while attending a summer festival and told the ballot issue is intended to bring about a rate cut, not a rate increase. In conversations with other festival-goers, Szollosi encountered several who regretted signing the petition once they learned its true intent.
- In Columbus, a circulator who would not give his name masqueraded as a friend of the consumer.

“These guys are legal loan sharks and we want to regulate ‘em,” he said, according to a tape recording of the conversation. When asked if lenders could still charge 391 percent APR if the referendum succeeded, he fired back: “No ma’am. No ma’am. Five percent. Do you want to see that it writing? Five percent it’ll be the max....”

The recording was one of two supplied by Sandy Theis, spokeswoman for the campaign to preserve Ohio's payday reforms.

In the second conversation, a circulator who identified himself as James, described the referendum this way: “They're trying to bring the rates down ... they're trying to get one flat rate so when you go out and get your money you won't have to pay all the interest and stuff.”

Copies and transcripts of the conversations can be found at [www.end391.org](http://www.end391.org) by clicking on Dirty Secrets.

- In Youngstown, State Rep. Robert Hagan taped a similar conversation on his cell phone. A petition circulator told Hagan the referendum's goal is to provide loans with five percent interest. Hagan said he encountered two circulators, both in Youngstown, and both told him the referendum would lower rates.
- Hagan's son, Jimmie, also spoke at the news conference, telling reporters he encountered three circulators, each of whom said rates would go down. The younger Hagan is a student at Oberlin College.

- At the Columbus Metropolitan Library, a petition circulator told Cathy Johnston that interest rates would drop if the referendum succeeds. Johnston, advocacy director for the Coalition on Homelessness and Housing in Ohio, said the circulator approached her even though she wore a button reading “391%” with a slash through it.

Akron voter Michelle Mezaris could not attend the news conference but provided an affidavit stating that a circulator told her she would not be permitted to cast a vote on the issue – one way or another – unless her name appeared on one of the petitions. Mezaris’ right to vote on the issue is not tied in any way to her signature on a petition.

“It is inconsistent for the lenders to claim that they are ‘pro consumer choice’ yet fail to provide signers with accurate information that is necessary to make informed decisions,” Allio said. “We want all voters to know if they sign one of these petitions, they are supporting predatory, usurious practices.”

Those who signed a petition under false pretenses have the legal right to ask that their names be removed, Allio said. He urged voters who wanted their names removed to contact Ohioans for Financial Freedom, the lender-financed group pushing the referendum.