

Dayton Daily News

Payday lending issue a step closer to ballot

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COLUMBUS — Ohio voters may get the last word on what interest rate payday lenders can charge.

Backers of a referendum to repeal a key portion of a new payday lending law appear to have enough signatures to qualify the issue for the Nov. 4 ballot.

"We're certainly very hopeful," Kim Norris, spokeswoman for the coalition pushing the ballot proposal, said on Tuesday, Sept. 2.

According to Secretary of State Jennifer Brunner's office, the group turned in petitions with 422,000 signatures on Sunday, Aug. 31, more than the 241,366 required.

The signatures now will be sent to county boards of election to be verified. That could take several weeks.

By filing the signatures, referendum backers put a hold on the section of the new law that would limit payday lenders to a maximum 28 percent interest rate. They can continue charging 391 percent — \$15 for every \$100 borrowed for two weeks.

A "yes" vote on the ballot issue would limit lenders to the new 28 percent interest cap while a "no" vote would allow lenders to keep the 391 percent cap.

Backers have hailed the new law as the nation's toughest payday lending regulation, needed to correct a system that traps many borrowers in debt. Payday lenders say the new interest rate limit would put them out of business and deny Ohioans the freedom to choose the loans.