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Misleading use of petitions

The new attorney general blows the whistle on payday lenders

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Nancy Rogers, the interim Ohio attorney general, rightly stopped in their tracks supporters of a referendum petition drive to put a new payday lending law before the voters this fall. The Ohio State University law school dean appointed to the office following the resignation of Democrat Marc Dann told payday lenders they cannot begin gathering signatures until they accurately summarize the issue. She blew the whistle on their misleading and incomplete summary language.

The tough-minded review by Rogers sends the committee back to the drawing boards in its bid to repeal the law. Frankly, that is where the effort should stay. In her most telling point, Rogers noted that referendum backers failed to give the details of "the most fundamental change" brought by the law, capping the annual percentage rate charged by payday lenders at 28 percent. The interest rate had been 391 percent.

Rogers found that when the petition summary language did go into greater depth, it often was extremely misleading. Viewing one of nine bulleted points, petition signers would be led to believe a state database of "personal information" on short-term loans would be created. Rogers noted that the payday lending law makes no reference to "personal information." She added that such data kept on short-term lending would not be a public record.

The Rogers critique smartly navigates the verbal mazes clearly designed to fool voters into signing the petitions necessary to put the long-awaited payday lending law before the state's voters. Still, the attorney general's step merely delays the fight. In that way, supporters of the law should view the skirmish as notice that they have a real fight on their hands to keep it. You can bet that in a full-fledged campaign, the distortions seen in the petition summary language would be just the beginning.

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