

Resolution in Support of a YES Vote on State Issue 5

Whereas, payday loans are a defective product designed to trap people in a cycle of repeat borrowing; and

Whereas, payday loans unnecessarily cost Ohio families more than \$318 million annually in fees and interest; and

Whereas, payday lenders charge outrageous interest rates, with the interest on a typical two-week loan reaching 391 percent APR; and

Whereas, Democrats joined with Republicans to pass a new state law that caps the annual interest on payday loans at 28 percent; and

Whereas, the national payday lobby responded to this new law by financing a referendum that would allow lenders to continue charging 391 percent interest; and

Whereas, this referendum would appear on the Nov. 4 ballot as Issue 5; and

Whereas, preserving the rate cap will help Ohio's families and their communities by ending the lenders' ability to charge rates more commonly associated with loan sharking; and

Whereas, the new law extends the same loan protections to all Ohioans that the federal government provides to military families; and

Whereas, a YES vote on Issue 5 will preserve Ohio's payday reform law and ban lenders from charging 391 percent interest; and

Whereas, a YES vote on Issue 5 ensures that loans will still be available to those who need them.

Therefore be it resolved that (INSERT NAME HERE) urges all of its residents to stand up for consumers, families and fair business practices by voting YES on Issue 5.