

June 25, 2018

TO: Finance Committee
Ohio State Senate
Columbus, Ohio

FROM: Rev. Dr. Tom Stephenson
383 N. Walnut Street
Wilmington, Ohio 45177

Honorable Committee Members,

I am writing today in support of HB123 under consideration by your committee and the Ohio Senate. As a pastor and community volunteer in Wilmington and Clinton County, I have seen the devastation wrought upon individuals and families who become trapped in the payday lending practices which Ohio voters thought they had addressed years ago. Unfortunately, the law had loop holes allowing lenders to thwart the will of the people and charge up to 591% in interest and fees.

In my own congregation I have had to deal with multiple families who became mired in the unending spiral of payday loan debt – so much so that my church and area helping agencies had to get involved to make a future possible for those who sought emergency help from payday lenders and found themselves overwhelmed by the unfair rules and unreasonable fees. In my experience, these are the hard-working poor, men and women who put in long hours at low wages to care for their families but merely subsist. One of these, is a young, single mother on disability trying her best to raise a son on a meager income. But when the car broke down and the medication she needs tripled in cost she felt there were no options but a short-term payday loan. The rest you know, as she spent the better part of five months trying to manage the increasing balance on her loan until the stress and fear of losing everything brought her to my door. In all, her payday borrowing and a title loan required the church and two helping agencies working together approximately \$4,000, a hole from which she would never have emerged. As part of this assistance we required financial management education which she gladly received but the burden of living on such meager income always keeps her close the precipice of needing additional support.

As implied, these payday lending practices put greater stress on community resources, funds which come out the pockets of generous Ohio voters, citizens and congregants who have reached the limit of their patience with these lenders and the legislators who have allowed this unjust and economically disastrous practice to continue.

We recognize the continued existence of these businesses and the short-term need they provide for many Ohio families, but within reasonable limits. 28% is a reasonable limit, one which many other creditors would gladly receive from their clients.

It is time, for the Ohio Senate to act upon HB123 as it is written and stand with the citizens and voters of this great state who have already made their desires known. It is your job, no, it is your mandate, to serve the people and not the special interest and lobby of the payday lenders. As you meet today in committee, know that my community, our county commissioners, our churches and helping agencies are waiting and watching for the outcome of your deliberations. Send this bill *as is* to the Senate floor immediately, not only with your approval but with your blessing on behalf of your constituents who are locked in titan struggle with this issue.

Sincerely,

A handwritten signature in black ink that reads "Rev. Dr. Tom Stephenson". The signature is written in a cursive style with a long horizontal flourish at the end.

Rev. Dr. Tom Stephenson
Wilmington