



**MIKE DEWINE**

★ OHIO ATTORNEY GENERAL ★

Administration  
Office 614-466-4320  
Fax 614-466-5087

30 E. Broad Street, 17<sup>th</sup> Fl  
Columbus, Ohio 43215  
[www.OhioAttorneyGeneral.gov](http://www.OhioAttorneyGeneral.gov)

March 9, 2018

*Via regular U.S. mail and E-Mail*

Donald C. Brey  
65 E. State St., Ste. 1000  
Columbus, Ohio 43215  
[dbrey@taftlaw.com](mailto:dbrey@taftlaw.com)

Re: Submitted Petition for Initiated Constitutional Amendment to Add a New Section 14 to Article XV of the Ohio Constitution — “Short-Term Loan Consumer Protection Amendment”

Dear Mr. Brey,

On February 28, 2018, in accordance with the provisions of the Ohio Revised Code (ORC) Section 3519.01(A), I received a written petition containing (1) a copy of a proposed constitutional amendment to amend Article XV of the Ohio Constitution, and (2) a summary of the same measure. One of my statutory duties as Attorney General is to send all of the part-petitions to the appropriate county boards of elections for signature verification. With all of the county boards of elections reporting back, at least 1,000 signatures have been verified.

It is my statutory duty to determine whether the submitted summary “is a fair and truthful statement of the proposed law or constitutional amendment.” ORC Section 3519.01(A). If I conclude that the summary is fair and truthful, I must certify it as such within ten days of receipt of the petition. In this instance, the tenth day falls on Saturday, March 10, 2018.

The Ohio Supreme Court has defined “summary” relative to an initiated petition as “a short, concise summing up,” which properly advises potential signers of a proposed measure’s character and purport. *State ex rel. Hubbell v. Bettman*, 124 Ohio St. 24 (1931). After reviewing the submission, I have concluded that I am unable to certify your summary as a fair and truthful representation of the proposed amendment.

I have identified several significant discrepancies between the summary and the proposed amendment:

- The summary states that “contracts for short term loans cannot be for a longer time period than the original loan amount...” In contrast, Section (C)(2) of the proposed amendment states that “the minimum duration of a short-term loan shall be the number of months equal to the sum of the originally contracted loan amount...”

- 
- The summary of the proposed amendment exempts from the definition of "short-term loan" the "loans made by banks, trust companies, savings and loan companies, credit unions or their subsidiaries that are already regulated by federal or state law." In contrast, Section (A)(1)(a) of the proposed amendment exempts from the definition of "short-term loan" the loans made by "a subsidiary of any [of the listed entities], if the subsidiary is regulated by a federal banking agency."
  - The summary states that short-term loan contracts "[m]ust require the borrower's written authorization to collect funds electronically, with notice that authorization can be revoked at any time." However, the text of the proposed amendment fails to include the caveat that authorization for electronic payment may be revoked at any time but only requires this to be noted in a separate contractual provision.

Additionally, I have identified three material omissions in the summary of the proposed amendment:

- The summary does not reflect the proposed amendment's provision that the "General Assembly may, but is not required to, enact legislation to license persons to make short-term loans."
- The summary fails to mention that Section (C)(4) of the proposed amendment requires a licensee to "make a reasonable attempt to verify the borrower's income prior to initiating the loan."
- The summary omits the fact that under Section (F), the proposed amendment will take effect 365 days after the election at which it was approved.

For these reasons, I am unable to certify the summary as a fair and truthful statement of the proposed amendment. However, I must caution that this is not intended to be an exhaustive list of all defects in the submitted summary.

Very respectfully yours,



Mike DeWine  
Ohio Attorney General

cc: Committee to Represent the Petitioners

Nathan T. Coffman  
1047 Birchmont Rd.  
Columbus, Ohio 43220

Nicholas DiNardo  
6136 Fairway Dr.  
Cincinnati, Ohio 45212

Michelle Marcus  
19230 Winslow Rd.  
Shaker Heights, Ohio 44122

Carl A. Ruby  
7711 Garlough Rd.  
South Charleston, Ohio 45368