

MEMORANDUM

**TO:** INTERESTED PARTIES

**FROM:** CHRIS WILSON, PARTNER

**SUBJECT:** OHIO STATEWIDE SURVEY RESULTS ON PAYDAY LENDING

**DATE:** JANUARY 12, 2017

**Methodology**

On behalf of The Pew Charitable Trusts, WPA Opinion Research conducted a study of likely voters in Ohio. The sample was stratified based on gender, age, party and geography. The results were weighted by gender, age, party, and geography. Respondents were contacted on both cell and landline telephones via a live telephone operator interview from November 29 to December 1, 2016, utilizing Registration Based Sampling to match the Ohio voter file as provided by the Secretary of State. The study has a sample size of n=600 likely voters with a margin of error equal to ±4% in 95 out of 100 cases.

***“Do you have a favorable or unfavorable impression of payday lenders?”***

- Just over three-in-five likely voters in Ohio (62%) have an unfavorable impression of payday lenders.

Overall	%
Total Favorable	10%
Total Unfavorable	62%
No opinion/Refused	23%
Never Heard of	6%

- A large number of voters from each party have an unfavorable impression of payday lenders.

	Republican	Independent	Democrat
Total Favorable	9%	10%	9%
Total Unfavorable	62%	59%	72%

***“Payday lenders are companies that generally operate through storefronts or the Internet. They make small loans, often at high interest rates, that are usually due back on the borrower’s next payday. Do you believe that payday loans should be more regulated or less regulated?”***

- More than three-in-four likely voters believe that payday loans should be more regulated (78%).

Overall	%
Total More Regulated	78%
Total Less Regulated	10%
Much more regulated	67%
Somewhat more regulated	12%
Somewhat less regulated	5%
Much less regulated	4%
Don’t know or refused	12%

- Support for more regulation of the payday loan industry is a non-partisan issue, with at least three-in-four voters supporting regardless of party registration.

	Republican	Independent	Democrat
Total More Regulated	78%	75%	88%
Total Less Regulated	8%	12%	5%
Much more regulated	64%	65%	77%
Somewhat more regulated	14%	11%	11%
Somewhat less regulated	4%	7%	1%
Much less regulated	4%	5%	4%
Don’t know or refused	14%	13%	7%

***“Now I am going to read some examples of small loans that might be available to people who have low credit scores. After I read each one, please tell me if you think it is fair or unfair.”***

- Nearly all likely voters in Ohio (94%) believe that a loan of \$400 for a fee of \$350 paid back over three months is unfair.

Overall	Fair	Unfair
A loan of four hundred dollars for a fee of seventy-nine dollars paid back over three months, so a person who borrows four hundred dollars will pay back four hundred seventy-nine dollars.	63%	32%
A loan of four hundred dollars for a fee of three hundred fifty dollars paid back over three months, so a person who borrows four hundred dollars will pay back seven hundred fifty dollars.	2%	94%
A line of credit, similar to a credit card, with an annual interest rate of two hundred percent.	5%	93%

***“Payday loans in Ohio carry an annual interest rate of five hundred ninety one percent. Do you believe a payday loan’s annual interest rates should or should not be capped at a level lower than this?”***

- More than four-in-five (92%) believe the annual interest rate on payday loans should be capped at a lower level.

Overall	%
Should	92%
Unsure	4%
Should Not	5%

***“One bill would cap the interest rates on payday loans at twenty-eight percent, plus allow a monthly fee up to twenty dollars. Rather than loans being due back in two weeks, borrowers could choose to pay them back in installments over several months. Some payday lenders would go out of business, while others would remain in business charging lower prices. Do you support or oppose this proposal?”***

- Four-in-five likely voters in Ohio (80%) would support this proposal.

Overall	%
Total Support	80%
Total Oppose	13%

## **Conclusion**

Voters in Ohio overwhelmingly disapprove of the way payday lenders operate in the state of Ohio. Most likely voters have an unfavorable impression of payday lenders (62%) and believe the loans should be more regulated (78%). Support for more regulation is a non-partisan issue, with strong support regardless of party registration.

## **About Wilson Perkins Allen Opinion Research**

Since 1998, WPA Opinion Research has been a leading provider of political polling for campaigns from President to Governor and U.S. Senate to Mayor and City Council in all 50 states and several foreign countries. In the 2015-2016 election cycle, 87% of WPA clients won. WPA clients' win ratio has exceeded the standard by double digits for four straight political cycles.

WPA has been nationally recognized for providing cutting edge research to help our clients win. The American Association of Political Consultants (AAPC) awarded a “Pollie” to WPA for our Predictive Analytics and Adaptive Sampling techniques. The award highlighted these advanced methodologies which allowed us to buck national polling trends and deliver industry-leading results.

In addition to our political and policy research, WPA has conducted market research for more than 120 United States Fortune 500 corporations, donor research for more than 250 of the largest and most successful not-for-profit organizations around the country, and alumni research for dozens of colleges and universities.