



Forming Consciences For Faithful Citizenship

Ohio Ballot Issues

November 2008

The Catholic Conference of Ohio encourages voters to carefully consider the Statewide Issues that are on the November 4, 2008 ballot.

Each of us has a responsibility to carefully and prudently discern public policies to determine whether they are morally sound, well conceived and practical. People of good will may differ regarding specific responses to compelling social problems, but we cannot differ on our moral obligation to help build a more just and peaceful world through morally acceptable means, so that the weak and vulnerable are protected and human rights and dignity are defended.

We also encourage Catholic voters to prayerfully read and reflect upon the United States Conference of Catholic Bishops' statement: *Forming Consciences for Faithful Citizenship: A Call to Political Responsibility from the Catholic Bishops of the United States*. This statement and further information can be found at the Catholic Conference of Ohio's website, <http://www.ohiocathconf.org>.

Ballot Reflection Questions

1. Will passage of an issue promote the value and dignity of the human person, enhance the health and well-being of Ohioans, and advance the common good of persons in the state, especially the poor and vulnerable?
2. Is the issue needed and well conceived?
3. Does the issue reflect a change that should be addressed in the state constitution (as opposed to an issue that ought to be addressed through the legislative process)?
4. Do the benefits of an issue outweigh the potential financial costs and/or potential legal challenges?
5. Does the issue enhance family life and improve neighborhoods and communities throughout the state?
6. Does the issue promote economic justice by fairly addressing the needs of employers, workers and consumers?

Issue 1

Earlier Filing Deadlines for Statewide Ballot Issues Constitutional Amendment

Issue 1 requires that a citizen-initiated statewide ballot issue be considered at the next general election if petitions are filed 125 days before the election. The current deadline for a constitutional amendment change is 90 days before the election. The current deadline for a referendum petition is 60 days.

Issue 1 establishes tighter deadlines for boards of elections and the Secretary of State to determine the validity of citizen initiated petitions. It also gives the Ohio Supreme Court clear jurisdiction and expedited deadlines to address disputes.

Pro Arguments

Ballots need to be printed well in advance of an election. In the past several elections, issues were listed on the ballot that did not officially make the ballot. This caused voter confusion, additional printing expense, unnecessary advertising expenses, and the need for additional explanations by election officials. Requiring an earlier deadline of 125 days prior to an election rather than the current 90 or 60 days deadlines should help avoid such problems.

Con Arguments

A 125-day deadline before a general election is too long. Citizen groups often need the additional one or two months allowed under current law to gather sufficient signatures. If the deadline for placing an issue on the November ballot is in early July, citizens seeking a ballot change may have to wait till the following year's election. The issue may be more difficult and expensive to pursue if the issue is not fresh in people's minds.

Church Teaching & Focus Question

In Catholic Social Teaching, shared participation of citizens in shaping the destiny of their community is an important right and duty.

Will Issue 1 help or hinder a citizen's ability to reasonably pursue statewide ballot initiatives?



Catholic Conference of Ohio Position

The Catholic Bishops of Ohio are neutral on Issue 1.

Official Explanations and Arguments for all the Issues can be found on the Ohio Secretary of State's Website:
<http://www.sos.state.oh.us>

Issue 2

Clean Ohio Program for Environmental Revitalization and Conservation Constitutional Amendment

Issue 2 authorizes the State to issue bonds of up to \$400 million for continuation of the *Clean Ohio Program for Environmental Revitalization and Conservation*.

This program will provide \$150 M for *green space* conservation, \$25 M for *recreational bike and hiking trails*, \$25 M for *farmland preservation*, and \$200 M for the revitalization and environmental cleanup of *brownfield* sites .

Pro Arguments

http://www.morpc.org/energy/clean_ohio/clean_ohio_fund.asp

Ohio voters overwhelmingly passed the *Clean Ohio Program* in 2000. Issue 2 will continue this effective and helpful program.

Issue 2 will not raise taxes. Passage will stimulate the economy, bring new dollars into communities, preserve farmland and green space and create trails. Issue 2 was placed on the ballot through broad bi-partisan support from Ohio elected officials.

Con Arguments

Issuing \$400 M in bonds will result in too much debt for Ohio taxpayers. In difficult economic times, it may not be prudent for government to take out more debt. Private entities and/or State General Revenue monies, not borrowed dollars, should fund the Clean Ohio Program.

Church Teaching & Focus Question

In Catholic Social Teaching protecting the land, water, and air we share is a religious duty of stewardship. Economic development that serves the human person is also essential.

Is Issue 2 a reasonable, responsible and effective way to help care for the earth and promote helpful economic development?



Catholic Conference of Ohio Position

The Catholic Bishops of Ohio are neutral on Issue 2.

Issue 3

Private Property Rights in Groundwater, Lakes and other Watercourses Constitutional Amendment

Issue 3 will make it explicit in Ohio's Constitution that a private property owner has a right to the reasonable use of the ground water underlying their land or bordering a lake or other watercourse, although this right will remain subordinate to the public welfare.

Pro Arguments

Issue 3 will prioritize the importance of private property rights. Ohio statutes and common law practices related to private property rights are subject to varying court interpretations of "public trust" and "public welfare." Specifying water rights within the Constitution will aid courts in addressing future public and private water use disputes.

Issue 3 was placed on the ballot through broad bi-partisan support from Ohio elected officials.

Con Arguments

Issue 3 is unnecessary and should not be included in Ohio's Constitution. Current statutes and common law adequately protect and balance private property rights with public welfare needs.

Issue 3 does not give an accurate picture of private property rights. Property owners do not actually own the water beneath their land. They have a right to reasonable use of that water, but the state always has the power to regulate how it is used and take it for just compensation. Issue 3 gives owners a false sense of security that private property cannot be taken away at a later date.

Church Teaching & Focus Question

In Catholic Social Teaching, private property is an essential element of a just economic policy and social order. However, Christian tradition has never recognized this right as absolute and untouchable. It is subordinate to the rights of *common use* and the *common good* since the "goods" of God's creation are meant for everyone to share.

Does Issue 3 reasonably and effectively balance private property water rights with the needs of the common good?



Catholic Conference of Ohio Position

The Catholic Bishops of Ohio are neutral on Issue 3.

Issue 4 Removed from Ballot

Issue 5

Payday Lending: Maintaining Section 3 of HB 545 Referendum

On June 2, 2008 the Governor signed into law HB 545. H.B. 545 was a result of 12 months of legislative debate regarding how best to reform Ohio's payday lending law.

Among other things, H.B. 545 places a 28% APR (annual percentage rate) cap on small loans; reduces to \$500 the amount that can be loaned; restricts borrowers to four loans per year; limits them to one loan at a time; allows them 30 days to repay the loan and prohibits internet lending.

Section 3 of this bill eliminated the existing payday lending provisions in favor of a more regulated and limited small loan program. Payday lenders are seeking to repeal this section of the new bill in order to allow pre-HB545 practices to continue.

In pre-HB 545 practices, a payday loan borrower writes a check (up to \$800) typically dated for two weeks later. The money is advanced for a fee (\$15 per \$100 borrowed). If the borrower is unable to pay back this loan within the two weeks, interest (5% per month on the unpaid principal) and collection fees are assessed. When fees and charges are converted to the federally required annual percentage rate (APR), they amount to 391%.

Voting Clarification

Issue 5 asks whether Section 3 of HB 545 should remain part of Ohio law. Voting NO will repeal Section 3 of HB 545, thus allowing the payday industry to continue as before. Voting YES will keep the reforms enacted by HB 545 that include the elimination of previous payday lending practices.

Pro Arguments <http://www.yesonissue5.com>

Voters should vote YES on Issue 5. HB 545 passed the Ohio General Assembly with overwhelming bi-partisan support. It is considered one of the best legislative responses to "breaking the cycle of debt" caused by over zealous lending practices and under-regulated payday loan businesses. The typical payday borrower is charged 391% APR in interest.

Payday lending is a debt-trap. Borrowers are given easy access to credit that most cannot afford. Studies indicate that only 1% of payday borrowers pay off their original loan in the standard two-week cycle. Typically, borrowers will take out another loan at another payday store in order to pay off the first loan. Studies indicate that the typical payday loan borrower takes out between 10-13 loans per year.

A NO vote on Issue 5, repealing Section 3 of HB 545, will create confusion over interest rates, and lead to expensive and time-consuming legal challenges. It will return Ohio to the less-regulated and abusive status quo. Retain Section 3 of HB 545: vote YES on Issue 5.

Con Arguments <http://www.ohioans4financialfreedom.com>

Section 3 of HB 545, which eliminates payday lending, should be repealed. Payday loans consumers should be able to decide if they want lending options for their simplicity, convenience and because it's cheaper than many alternatives. Consumers will pay more for less desirable, more costly alternatives like bounced checks and credit card late fees, and at much higher rates than a payday loan.

HB 545's replacement loan provisions are too restrictive and unsustainable as a business model. Capping APR charges at 28% will mean that a lender can charge only \$1.08 per \$100 borrowed. As a result up to 1,600 payday lending stores may close (stores are already closing). This would result in the loss of more than 6,000 good paying jobs with benefits, and a \$272.2 million total loss to Ohio's economy.

391% APR, while accurately based upon a year-long loan, is deceptive because the typical payday loan is two weeks. If the borrower pays back the loan on time, the borrower has typically paid 15 % in interest (\$15 per \$100 borrowed).

Church Teaching & Focus Questions

The teachings of our faith provide many warnings about usury and exploitation of people. Lending practices that, intentionally or unintentionally, take unfair advantage of one's desperate circumstances are unjust.

On balance, do you consider the pre-HB 545 payday lending practices to be fair, helpful and needed, or do you believe them to be exploitive, harmful and unnecessary?

Is Section 3 of HB 545, which prohibits payday loans from charging a 391% APR, a well conceived and appropriate response to the needs of consumers, especially low income consumers?



Catholic Conference of Ohio Position

On June 27, 2007 the Ohio Catholic Bishops stated their support for initiatives that protect the working poor and all Ohio consumers from the spiraling indebtedness caused by payday lending. The Catholic Conference of Ohio believes that HB 545 responsibly addresses this concern, and encourages a YES vote to maintain the significant and necessary reforms regarding payday lending.

Issue 6

Clinton County Casino Constitutional Amendment

Issue 6 will amend Ohio's Constitution to authorize one privately owned casino in the State of Ohio at a site located in southwest Ohio in Clinton County near Dayton, Columbus and Cincinnati.

The casino will be required to pay a tax of up to 30% on its gross receipts, a portion of which will be distributed to all Ohio counties based on population to be used at each county's discretion.

The tax percentage payable by the casino will be reduced in the event another casino is authorized in Ohio. It shall not exceed the lesser of twenty-five percent or the percentage payable by any other casino operations.

Issue 6 requires the casino operator to make a minimum initial investment of \$600 million for the development of the casino property. It will also authorize the casino to conduct any game permitted in the State of Nevada, or any state adjacent to Ohio, except bets on races or sporting events. Only persons age 21 and over would be permitted to place wagers.

A Gaming Regulatory Commission would be established.

Pro Arguments <http://myohionow.com>

All Ohio counties will share the wealth from revenue generated by the resort casino. Approximately \$211 million in tax revenue is projected to be divided among Ohio's 88 counties based on population, and each county will decide how to best spend their money.

The world-class destination resort expects to create up to 5,000 permanent jobs with average salaries of \$34,000.

A minimum of \$600 million will be spent on developing the resort casino project. Phase One of the project will include a facility featuring approximately 5,000 slot machines, 150 table games (including blackjack, roulette and craps), and a 20-table poker room. A luxury hotel with approximately 1,500 rooms, and a championship golf course and shooting sports course will also be developed.

Con Arguments <http://www.votenocasinos.com>

Casinos and slot machines harm families and seduce gamblers, especially those with lower incomes. Gamblers can quickly lose large amounts of money within casinos. Studies have indicated that the problems of gambling addiction double when gambling opportunities are placed within 50 miles of the gambler.

Incidents of crime (substance abuse, prostitution, assault and battery, etc.) often increase around casinos.

Projected revenues from this casino are overstated and offer no guarantees. While individual counties will receive some monies, the state will not receive any revenues. Due to the "competition clause" in Issue 6, tax revenues could greatly decrease if another casino is authorized, especially one controlled by a Native American tribe that would not have to pay taxes to any state or county entity.

Passage of Issue 6 will establish Ohio as a Class III gambling state under the federal *Indian Gaming Regulatory Act* making it easier for Indian casinos to open in Ohio.

The Ohio Constitution should not be used as a tool for private companies to set up exclusive monopolies, take money out of Ohio, and exempt themselves from local zoning ordinances. The gambling owners will reap extensive monetary gain and have a constitutionally protected monopoly in the State.

Church Teachings & Focus Question

Games and schemes of chance are not in themselves contrary to justice. The Church recognizes, however, that a variety of social ills can become associated with any form of gambling. According to the *Catechism of the Catholic Church*, forms of gambling "become morally unacceptable when they deprive someone of what is necessary to provide for his needs and those of others. The passion for gambling risks becoming an enslavement."

In previous Catholic Conference of Ohio statements on gambling, a distinction was made between charitable bingo and casino gambling. While there are a variety of social ills that can also be associated with charitable bingo, the gambling stakes are much lower and 100% of the proceeds are used for charitable purposes. The Catholic Bishops of Ohio would prefer, and in fact have encouraged, our institutions to raise needed funds through alternative forms of fundraising, where feasible.

Is Issue 6 well conceived and in the long-term best interest of the people of Ohio?



Catholic Conference of Ohio Position

The Catholic Bishops of Ohio are opposed to Issue 6. The Catholic Conference of Ohio believes casino gambling is not in the best moral, social and economic interests of the citizens of our state. Furthermore, the Conference believes that the Ohio constitution should not be amended primarily to benefit a single private entity. The Conference encourages a NO vote on Issue 6.