



OHIO CREDIT
UNION LEAGUE

Proponent Testimony: House Bill 405
House State and Local Government Committee
Cory Fleming
Director, Legislative & Political Affairs, Ohio Credit Union League

Chairman Wiggam, Vice Chair Stephens, Ranking Member Kelly, and Members of the House State and Local Government Committee, my name is Cory Fleming and I am the Director of Legislative and Political Affairs at the Ohio Credit Union League, the state association representing the interests of Ohio's 260 federally and state-chartered credit unions and their more than 3 million members. Thank you for allowing to me provide testimony in support of House Bill 405, which if enacted, would create a new state linked-deposit program administered by the Treasurer of State's office to help make home adoption more affordable for Ohioans.

For context, linked-deposit programs (O.R.C. 135.61) are used by the Treasurer to deposit state investment dollars within a lending institution at a below market rate of return, so long as the institution agrees to pass the savings onto the borrower in the form of a lower interest rate on a new or existing loan. Among other things, linked-deposit programs help finance agricultural supplies, home improvements, and small business expansion. House Bill 405 would include home adoption costs to the current list of programs. For instance, if a perspective family approaches their local credit union asking for help financing a home study, the credit union could offer them savings on the loan in partnership with the State Treasurer through a low-cost deposit.

Due to a change in law passed in the 132nd General Assembly, credit unions now are eligible to administer both Ag-LINK and Business-Link deposit programs. We are also included as an eligible lending institution under House Bill 405. Further, the legislation is a needed expansion of existing private and public partnerships that will help children find a loving home.

We would like to thank Treasurer Sprague and Representative Cross for their leadership and creativity in building stronger Ohio families. Credit unions are grateful to be a part of the solution.

Mr. Chairman, I appreciate the opportunity to testify and am happy to answer any questions.