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Chairman LaRe, Vice Chair Pizzulli, Ranking Member Dell’Aquila, and esteemed members of the House Financial Institutions Committee, I appreciate the chance to present sponsor testimony on HB 182, regarding consumer installment loans. Allow me to underscore key aspects of the bill:

- **Modernizing Consumer Installment Loan Act (CILA):** HB 182 aims to update CILA, offering brick-and-mortar lenders in Ohio the flexibility to enhance their operations while upholding crucial consumer protections. This is crucial for expanding Ohioans’ access to secure and affordable credit.
- **Distinct Nature of Installment Loans:** Loans under CILA, characterized by equal monthly payments, provide a safe credit option with a 6-month minimum term, statutory minimum amounts, and stringent regulations, ensuring responsible lending practices.
- **Community-Focused Lending:** Installment loans, unlike payday or title loans, contribute to community well-being by financially assisting hardworking Ohioans.
- **Financial Mobility:** Increasing access to installment credit promotes financial mobility by enabling individuals and families to build credit histories and safeguard household wealth responsibly.
- **Modernizing Legislation:** The bill addresses the evolving financial landscape by incorporating electronic payment methods, aligning with consumer preferences and industry trends.
- **Responsible Interest Rate Adjustment:** HB 182 proposes a moderate increase in the maximum interest rate from 25% to 36%, allowing CILA lenders to manage risk responsibly and broaden credit availability without impacting existing consumers.
- **Consumer Protection Focus:** The rate adjustment is designed to enhance credit availability without burdening consumers, ensuring that well-regulated Ohio licensed lending institutions uphold the consumer protections established by CILA.
- **Addressing Triple-Digit Rates:** While HB 182 does not solve all credit needs, it safeguards Ohioans from triple-digit interest rates imposed by online, out-of-state institutions leveraging federal charters.

I appreciate your consideration and am available to address any questions from the committee.