



**House Financial Institutions Committee
Chairman Jeff LaRe
Bob Whitehouse, CEO – Eagle Loan Company
Proponent Testimony on House Bill 182
May 21, 2024**

Chairman LaRe, Vice Chairman Pizzulli, Ranking Member Dell’Aquila, and members of the House Financial Institutions Committee, thank you for the opportunity to offer support for House Bill 182. My name is Bob Whitehouse, and I am the CEO of Eagle Loan Company. I am also Vice President of the Ohio Financial Services Association, the state trade association for consumer installment lenders.

My company, Eagle Loan Company, has been in operation for more than twenty-five years and currently serves customers in a three-state region – Ohio, Kentucky, and Indiana. We have 82 branch offices in those states, 44 of which are in Ohio. We make consumer installment loans – both secured and unsecured – to our customers. Our loan terms typically range from 12 to 36 months and common loan amounts range from \$1000-\$5,000. When providing our loans, our customers meet face-to-face with us in our branches. The rising cost of living leaves many Ohioans needing greater access to the personally tailored credit we can provide.

We work closely with our customers to make sure the terms of the loan work for their individual circumstances. We understand that our customers may have challenging credit scenarios and that we provide one of their few sources for affordable credit. We respect our customers and always work to develop a neighborhood-lender relationship with them. Reputation is important, and we consider repeat business and customer referrals to be the highest compliments customers can give.

There are two provisions within House Bill 182 that I would like to address. The first provision regards attorney fees and can be found within section 1321.68 (G). With respect to attorney fees, unfortunately, the current language is not clear. As a former practicing attorney, I can personally say that judges around the state interpret the language very differently. Just like other types of lending in Ohio, this would clarify our ability to request attorney fees in a litigation setting. There would be a solid line between requesting attorney fees and recovering them. The award of attorney fees would continue to rest in the sole

discretion of the court. The lender could not recover attorney fees without such an order. Again, this is simply to clarify the current language and create a rule similar to other types of Ohio lending.

Another proposed change, found in section 1321.99 (K), would create a bona fide error safe harbor. As this Committee understands, financial institutions continue to be pressed with more extreme and complicated regulatory environments. When errors occur, this new section would allow a lender the reasonable opportunity to notify the Division of Financial Institutions and correct any imbalance. Importantly, this language robustly protects the consumer by requiring the calculation and return of any interest charges caused by the error. With these changes, lenders would operate transparently, consumers would be made whole, and licensees could conduct business with certainty. As with other requests in House Bill 182, we are not seeking a novel approach. Indeed, this new section would closely mirror language for other financial products in Ohio and other states.

In closing, let me thank you for your consideration of this important piece of legislation and for recognizing the important role played by the traditional installment lending industry by making affordable credit available to so many people in this state. Thank you again for the opportunity to submit written testimony in support of House Bill 182.