

As Passed by the Senate

132nd General Assembly

Regular Session

2017-2018

Sub. H. B. No. 123

Representatives Koehler, Ashford

Cosponsors: Representatives Antonio, Barnes, Boyd, Brown, Clyde, Craig, Fedor, Greenspan, Holmes, Howse, Ingram, Leland, Lepore-Hagan, Lipps, Miller, O'Brien, Patterson, Ramos, Rogers, Ryan, Schuring, Sheehy, Smith, K., Sykes, West, Speaker Smith

Senators Burke, Hottinger, Lehner, Manning, Oelslager, Schiavoni, Sykes, Tavares, Thomas, Yuko

A BILL

To amend sections 1321.35, 1321.36, 1321.39, 1
1321.40, 1321.41, 1321.422, 1321.99, and 2
4712.99, to enact new section 1321.46 and 3
sections 1321.141, 1321.391, 1321.401, 1321.402, 4
1321.403, 1321.411, 1321.592, and 4712.071, and 5
to repeal sections 1321.46 and 1321.461 of the 6
Revised Code to modify the Short-Term Loan Act, 7
to specify a minimum loan amount and duration 8
for loans made under the Small Loan Law and 9
General Loan Law, and to limit the authority of 10
credit services organizations to broker 11
extensions of credit for buyers. 12

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 1321.35, 1321.36, 1321.39, 13
1321.40, 1321.41, 1321.422, 1321.99, and 4712.99 be amended and 14
new section 1321.46 and sections 1321.141, 1321.391, 1321.401, 15

1321.402, 1321.403, 1321.411, 1321.592, and 4712.071 of the 16
Revised Code be enacted to read as follows: 17

Sec. 1321.141. (A) A licensee shall not make a loan under 18
sections 1321.01 to 1321.19 of the Revised Code that meets 19
either of the following conditions: 20

(1) The amount of the loan is one thousand dollars or 21
less. 22

(2) The loan has a duration of one year or less. 23

(B) A licensee shall not engage in any act or practice to 24
evade the requirement of division (A) of this section, including 25
by assisting a borrower to obtain a loan on terms that would be 26
prohibited by that division. 27

(C) No licensee shall fail to comply with this section. 28

Sec. 1321.35. As used in sections 1321.35 to 1321.48 of 29
the Revised Code: 30

(A) "Short-term loan" means a loan made pursuant to 31
sections 1321.35 to 1321.48 of the Revised Code. 32

(B) "Superintendent of financial institutions" includes 33
the deputy superintendent for consumer finance as provided in 34
section 1181.21 of the Revised Code. 35

(C) "Interest" means all charges payable directly or 36
indirectly by a borrower to a licensee as a condition to a loan, 37
including fees, ~~loan origination charges,~~ service charges, 38
renewal charges, ~~credit insurance premiums,~~ and any ancillary 39
product sold in connection with a ~~short-term loan made pursuant~~ 40
~~to sections 1321.35 to 1321.48,~~ but does not include the 41
monthly maintenance fees, the loan origination charge, the check 42
collection charge, or the check cashing fee authorized under 43

section 1321.40 of the Revised Code. 44

(D) "Annual percentage rate" has the same meaning as in 45
the "Truth in Lending Act," 82 Stat. 149 (1980), 15 U.S.C. 1606, 46
as implemented by regulations of the ~~board of governors of the~~ 47
~~federal reserve system~~ consumer financial protection bureau. All 48
fees and charges, including interest and the loan origination 49
charge and monthly maintenance fees authorized under section 50
1321.40 of the Revised Code, shall be included in the 51
computation of the annual percentage rate. ~~Fees and charges for~~ 52
~~single premium credit insurance and other ancillary products~~ 53
~~sold in connection with the credit transaction shall be included~~ 54
~~in the calculation of the annual percentage rate.~~ 55

(E) "Licensee" means a person licensed to make short-term 56
loans under sections 1321.35 to 1321.48 of the Revised Code. 57

Sec. 1321.36. (A) No person shall engage in the business 58
of making short-term loans to a borrower in Ohio, or, in whole 59
or in part, make, offer, or broker a loan, or assist a borrower 60
in Ohio to obtain such a loan, without first having obtained a 61
license from the superintendent of financial institutions under 62
sections 1321.35 to 1321.48 of the Revised Code. ~~No licensee~~ 63
~~shall make, offer, or broker a loan, or assist a borrower to~~ 64
~~obtain such a loan, when the borrower is not physically present~~ 65
~~in the licensee's business location.~~ 66

(B) ~~No person not located in Ohio shall make a short-term~~ 67
~~loan to a borrower in Ohio from an office not located in Ohio.~~ 68
~~Nothing in this section prohibits a business not located or~~ 69
~~licensed in Ohio from lending funds to Ohio borrowers who~~ 70
~~physically visit the out-of-state office of the business and~~ 71
~~obtain the disbursement of loan funds at that location. No~~ 72
person shall make, offer, or broker a loan, or assist a borrower 73

to obtain a loan, via the telephone, or mail, ~~or internet~~. 74

(C) Any loan made in violation of this section is void, 75
and the lender has no right to collect, receive, or retain any 76
principal, interest, fees, or other charges in connection with 77
the loan. 78

(D) Sections 1321.35 to 1321.48 of the Revised Code do not 79
apply to any entity chartered and lawfully doing business under 80
the authority of any law of this state, another state, or the 81
United States as a bank, savings bank, trust company, savings 82
and loan association, or credit union, or a subsidiary of any 83
such entity, which subsidiary is regulated by a federal banking 84
agency and is owned and controlled by a depository institution. 85

Sec. 1321.39. A licensee ~~under sections 1321.35 to 1321.48~~ 86
~~of the Revised Code~~ may engage in the business of making loans 87
provided that each loan meets all of the following conditions: 88

(A) The total amount of the loan does not exceed ~~five~~ 89
~~hundred one thousand~~ dollars. 90

~~(B) The~~ (1) Subject to division (B)(2) of this section, 91
the minimum duration of the loan, as specified in the loan 92
contract required under division (C) of this section, is not 93
less than thirty-one ninety-one days and the maximum duration of 94
the loan is one year. 95

(2) The minimum duration of the loan may be less than 96
ninety-one days if the total monthly payment on the loan does 97
not exceed an amount that is six per cent of the borrower's 98
verified gross monthly income or seven per cent of the 99
borrower's verified net monthly income, whichever is greater. 100

(C) The loan is made pursuant to a written loan contract 101
that sets forth the terms and conditions of the loan. A copy of 102

the loan contract shall be provided to the borrower. The loan 103
contract shall disclose in a clear and concise manner all of the 104
following: 105

(1) The total amount of fees and charges the borrower will 106
be required to pay in connection with the loan pursuant to the 107
loan contract; 108

(2) The total amount of each payment, when each payment is 109
due, and the total number of payments that the borrower will be 110
required to make under the loan contract; 111

(3) A statement, printed in boldface type of the minimum 112
size of ten points, as follows: "WARNING: The cost of this loan 113
is higher than the average cost charged by financial 114
institutions, such as banks or credit unions, on substantially 115
similar loans. A financial institution may be able to offer you 116
a similar loan at a lower cost." 117

(4) A statement, printed in a minimum font size of ten 118
points, which informs the borrower that complaints regarding the 119
loan or lender may be submitted to the department of commerce 120
division of financial institutions and includes the correct 121
telephone number and mailing address for the department; 122

(5) Any disclosures required under the "Truth in Lending 123
Act," 82 Stat. 146 (1974), 15 U.S.C. 1601, et seq.; 124

(6) ~~The rate of interest contracted for under the loan-~~ 125
~~contract as an annual percentage rate based on the sum of the~~ 126
~~principal of the loan and the loan origination fee, check-~~ 127
~~collection charge, and all other fees or charges contracted for-~~ 128
~~under the loan contract.;~~ 129

(7) A statement, printed in a minimum font size of ten 130
points, as follows: "You have the right to rescind or cancel 131

this loan by returning the originally contracted loan amount by 132
five p.m. of the third business day immediately following the 133
day you enter into this contract." 134

(8) A statement, printed in a minimum font size of ten 135
points, as follows: "Electronic payment is optional. You have 136
the right to revoke or remove your authorization for electronic 137
payment at any time." 138

~~(D) The loan contract includes a provision that offers the~~ 139
~~borrower an optional extended payment plan that may be invoked~~ 140
~~by the borrower at any time before the maturity date of the~~ 141
~~loan. To invoke the extended payment plan, the borrower shall~~ 142
~~return to the office where the loan was made and sign an~~ 143
~~amendment to the original loan agreement reflecting the extended~~ 144
~~terms of the loan. The extended payment plan shall allow the~~ 145
~~borrower to repay the balance by not less than sixty days from~~ 146
~~the original maturity date. No additional fees or charges may be~~ 147
~~applied to the loan upon the borrower entering the extended~~ 148
~~payment plan. The person originating the loan for the licensee~~ 149
~~shall identify verbally to the borrower the contract provision~~ 150
~~regarding the extended payment plan, and the borrower shall~~ 151
~~verify that the provision has been identified by initialing the~~ 152
~~contract adjacent to the provision~~ is a precomputed loan and is 153
payable in substantially equal installments consisting of 154
principal, fees, and interest combined. For purposes of this 155
division, "precomputed loan" means a loan in which the debt is a 156
sum comprising the principal amount and the amount of fees and 157
interest computed in advance on the assumption that all 158
scheduled payments will be made when due. 159

(E) The loan may be rescinded or canceled on or before 160
five p.m. of the third business day immediately following the 161

day of the loan transaction upon the borrower returning the 162
originally contracted loan amount. 163

Sec. 1321.391. If the duration of a short-term loan is 164
ninety-one days or greater, the licensee shall determine the 165
recommended length of a loan based on the borrower's verified 166
monthly income as described in division (B) (2) of section 167
1321.39 of the Revised Code. The licensee shall provide the 168
borrower with a written copy of its recommendation, which is not 169
binding on the borrower. 170

Sec. 1321.40. A person licensed pursuant to sections 171
1321.35 to 1321.48 of the Revised Code licensee may charge, 172
collect, and receive only the following fees and charges in 173
connection with a short-term loan: 174

(A) Interest calculated in compliance with 15 U.S.C. 1606, 175
and not exceeding an annual percentage a rate greater than of 176
twenty-eight per cent per annum; 177

(B) (1) Except as otherwise provided in division (B) (2) of 178
this section, a monthly maintenance fee that does not exceed the 179
lesser of ten per cent of the originally contracted loan amount 180
or thirty dollars, provided the fee is not added to the loan 181
balance on which interest is charged; 182

(2) A licensee shall not charge, collect, or receive a 183
monthly maintenance fee if the borrower is a person on active 184
duty in the armed forces of the United States or a dependent of 185
that person. 186

(C) If the originally contracted loan amount is five 187
hundred dollars or more, a loan origination charge in the amount 188
of two per cent of the originally contracted loan amount, 189
provided the loan origination charge is not added to the loan 190

balance on which interest is charged; 191

(D) One check collection charge per loan not exceeding an 192
amount equal to twenty dollars plus any amount passed on from 193
other financial institutions for each check, negotiable order of 194
withdrawal, share draft, or other negotiable instrument returned 195
or dishonored for any reason, provided that the terms and 196
conditions upon which check collection charges will be charged 197
to the borrower are set forth in the written loan contract 198
described in division (C) of section 1321.39 of the Revised 199
Code; 200

~~(C)~~ (E) If a licensee provides the proceeds of a loan in 201
the form of a check, a fee to cash that check in an amount not 202
exceeding ten dollars; 203

(F) Damages, costs, and disbursements to which the 204
licensee may become entitled to by law in connection with any 205
civil action to collect a loan after default, except that the 206
total amount of damages and costs shall not exceed the 207
originally contracted loan amount. 208

Sec. 1321.401. A licensee may refinance a short-term loan 209
provided that all of the following apply to the refinanced loan: 210

(A) The loan is a short-term loan. 211

(B) Interest on the loan does not exceed a rate of twenty- 212
eight per cent per annum. 213

(C) The licensee does not charge, collect, or receive the 214
monthly maintenance fee described in division (B) of section 215
1321.40 of the Revised Code. 216

Sec. 1321.402. If a short-term loan is prepaid in full or 217
refinanced prior to the loan's maturity date, the licensee shall 218

refund to the borrower a prorated portion of the interest, 219
monthly maintenance fees, and all other charges based on a ratio 220
of the number of days the loan was outstanding and the number of 221
days for which the loan was originally contracted. For purposes 222
of this section, the monthly maintenance fee is not considered 223
to be fully earned at the beginning of a month. 224

Sec. 1321.403. Notwithstanding any provision of sections 225
1321.35 to 1321.48 of the Revised Code to the contrary, a 226
licensee shall not charge, collect, or receive in connection 227
with a short-term loan a total amount of fees and charges that 228
exceeds sixty per cent of the originally contracted loan amount. 229
For purposes of this section, all charges made in connection 230
with the loan shall be included when calculating the total loan 231
charges except for all of the following: 232

(A) The check collection charge authorized under section 233
1321.40 of the Revised Code; 234

(B) The check cashing fee authorized under section 1321.40 235
of the Revised Code; 236

(C) The interest charges on a loan that is refinanced in 237
accordance with section 1321.401 of the Revised Code. 238

Sec. 1321.41. ~~No person licensed pursuant to sections~~ 239
~~1321.35 to 1321.48 of the Revised Code~~ licensee shall do any of 240
the following: 241

(A) Violate section 1321.36 of the Revised Code; 242

(B) Make a loan that does not comply with section 1321.39 243
of the Revised Code; 244

(C) Charge, collect, or receive, directly or indirectly, 245
credit insurance premiums, charges for any ancillary product 246

sold, or any additional fees, interest, or charges in connection 247
with a loan, other than fees and charges permitted by section 248
1321.40 of the Revised Code ~~and costs or disbursements to which~~ 249
~~the licensee may become entitled to by law in connection with~~ 250
~~any civil action to collect a loan after default;~~ 251

(D) Collect treble damages pursuant to division (A) (1) (b) 252
(ii) of section 2307.61 of the Revised Code in connection with 253
any civil action to collect a loan after a default due to a 254
check, negotiable order of withdrawal, share draft, or other 255
negotiable instrument that was returned or dishonored for 256
insufficient funds; 257

(E) Make ~~Except as otherwise provided in section 1321.401~~ 258
of the Revised Code, make a short-term loan to a borrower if 259
there exists an outstanding loan between ~~the licensee and that~~ 260
~~borrower, if a loan between any licensee and that borrower was~~ 261
~~terminated on the same business day, if the borrower has more~~ 262
~~than one outstanding loan, if the loan would obligate the~~ 263
~~borrower to repay a total amount of more than five hundred~~ 264
~~dollars to licensees, or indebted the borrower, to licensees, for~~ 265
~~an amount that is more than twenty five per cent of the~~ 266
~~borrowers gross monthly salary not including bonus, overtime, or~~ 267
~~other such compensation, based on a payroll verification~~ 268
statement presented by the borrower, and any of the following: 269

(1) The licensee; 270

(2) A person related to the licensee by common ownership 271
or control; 272

(3) Any employee or agent of the licensee. 273

(F) Bring or threaten to bring an action or complaint 274
against the borrower for the borrower's failure to comply with 275

the terms of the loan contract solely due to the check, 276
negotiable order of withdrawal, share draft, or negotiable 277
instrument being returned or dishonored for insufficient funds. 278
Nothing herein prohibits such conduct, action, or complaint if 279
the borrower has intentionally engaged in fraud by, including 280
but not limited to, closing or using any closed or false account 281
to evade payment; 282

~~(G) Make a short term loan to a borrower for purposes of 283
retiring an existing short term loan between any licensee and 284
that borrower;~~ 285

~~(H) Require the borrower to waive the borrower's right to 286
legal recourse under any otherwise applicable provision of state 287
or federal law;~~ 288

~~(I) (H) Accept the title or registration of a vehicle, 289
real property, physical assets, or other collateral as security 290
for the obligation;~~ 291

~~(J) (I) Engage in any device or subterfuge to evade the 292
requirements of sections 1321.35 to 1321.48 of the Revised Code 293
including assisting a borrower to obtain a loan on terms that 294
would be prohibited by sections 1321.35 to 1321.48 of the 295
Revised Code, making loans disguised as personal property sales 296
and leaseback transactions, or disguising loan proceeds as cash 297
rebates for the pretextual installment sale of goods or 298
services;~~ 299

~~(K) (J) Assess or charge a borrower a fee for prepaying 300
the loan in full prior to the maturity date;~~ 301

~~(L) (K) Fail to comply with section 1321.45 of the Revised 302
Code;~~ 303

~~(M) (L) Recommend to a borrower that the borrower obtain a 304~~

loan for a dollar amount that is higher than the borrower has 305
requested; 306

~~(N) Make a loan to a borrower that has received two loans~~ 307
~~within the previous ninety days from licensees, unless the~~ 308
~~borrower has completed during that period a financial literacy~~ 309
~~program approved by the superintendent;~~ 310

~~(O)~~ (M) Draft funds electronically from any depository 311
financial institution in this state, ~~or bill any credit card~~ 312
~~issued by such an institution without written approval of the~~ 313
borrower. Nothing in this division shall prohibit the conversion 314
of a negotiable instrument into an electronic form for 315
processing through the automated clearing house system. 316

~~(P)~~ (N) Make, publish, or otherwise disseminate, directly 317
or indirectly, any misleading or false advertisement, or engage 318
in any other deceptive trade practice; 319

~~(Q)~~ (O) Offer any incentive to a borrower in exchange for 320
the borrower taking out multiple loans over any period of time, 321
or provide a short-term loan at no charge or at a discounted 322
charge as compensation for any previous or future business;i 323

~~(R) Make a loan to a borrower if the borrower has received~~ 324
~~a total of four or more loans, from licensees, in the calendar~~ 325
~~year.~~ 326

~~(S)~~ (P) Present a check, negotiable order of withdrawal, 327
share draft, or other negotiable instrument, that has been 328
previously presented by the licensee and subsequently returned 329
or dishonored for any reason, without prior written approval 330
from the borrower;i 331

~~(T)~~ (Q) Change the check number, or in any other way alter 332
a check, negotiable order of withdrawal, or share draft, prior 333

to submitting such check, negotiable order of withdrawal, or 334
share draft for processing through the automated clearing house 335
system, or submit false information about any check, negotiable 336
order of withdrawal, or share draft to the automated clearing 337
house system; 338

(R) Make a short-term loan to a borrower if the loan will 339
result in a total outstanding principal of more than two 340
thousand five hundred dollars in short-term loans made by 341
licensees to that borrower at any one time. Prior to making a 342
short-term loan, a licensee shall require each borrower to sign 343
a written declaration that, pursuant to this division, the 344
borrower is eligible to receive the loan, and shall make a 345
concerted effort to verify the borrower's eligibility. 346

(S) Fail to accept cash or a certified check from a third 347
party when submitted on behalf of the borrower for repayment of 348
a short-term loan in full or in part; 349

(T) Contact a borrower for any reason other than for the 350
borrower's benefit regarding upcoming payments, options for 351
obtaining loans, payment options, payment due dates, the effect 352
of default, or, after default, receiving payments or other 353
actions permitted by the licensee; to advise the borrower of 354
missed payments or dishonored checks; or to assist the 355
transmittal of payments via a third-party mechanism; 356

(U) In the event that a short-term loan or its servicing 357
is sold or assigned, fail to provide notice and the information 358
needed to make future payments; 359

(V) Make a loan to a borrower that includes a demand 360
feature that permits the licensee, in the event the borrower 361
fails to meet the repayment terms for any outstanding balance, 362

to terminate the loan in advance of the original maturity date 363
and to demand repayment of the entire outstanding balance, 364
unless both of the following requirements are met: 365

(1) Not earlier than ten days after the borrower's payment 366
was due, the licensee provides written notice to the borrower of 367
the termination of the loan. 368

(2) In addition to the outstanding balance, the licensee 369
collects only prorated interest and the fees earned up to the 370
termination of the loan. For purposes of division (V) (2) of this 371
section, the outstanding balance and prorated interest and fees 372
shall be calculated as if the borrower had voluntarily prepaid 373
the loan in full on the date of termination. 374

Sec. 1321.411. A licensee shall not attempt to collect 375
from a borrower's account after two consecutive attempts have 376
failed, unless the licensee obtains new written authorization 377
from the borrower to electronically transfer or withdraw funds 378
from the borrower's account. 379

Sec. 1321.422. (A) Every licensee shall keep and use in 380
the licensee's business such books, accounts, records, and loan 381
documents as will enable the division of financial institutions 382
to determine whether the licensee is complying with sections 383
1321.35 to 1321.48 of the Revised Code and with the orders and 384
rules made by the division under those sections. Such books, 385
accounts, records, and loan documents shall be segregated from 386
those pertaining to transactions that are not subject to 387
sections 1321.35 to 1321.48 of the Revised Code. Every licensee 388
shall preserve the books, accounts, records, and loan documents 389
pertaining to loans made under sections 1321.35 to 1321.48 of 390
the Revised Code for at least two years after making the final 391
entry on, or final revision of any loan document relative to, 392

any loan recorded therein. Accounting systems maintained in 393
whole or in part by mechanical or electronic data processing 394
methods that provide information equivalent to that otherwise 395
required are acceptable for this purpose. 396

(B) (1) As required by the superintendent of financial 397
institutions, each licensee shall file with the division each 398
year a report under oath or affirmation, on forms supplied by 399
the division, concerning the business and operation for the 400
preceding calendar year. If a licensee has more than one place 401
of business in this state, the licensee shall furnish a report 402
for each location. 403

(2) The division shall publish annually and make available 404
to the public an analysis of the information required under 405
division (B) (1) of this section, but the individual reports 406
shall not be public records and shall not be open to public 407
inspection. The published analysis shall include all of the 408
following: 409

(a) The total number of borrowers, loans, defaulted loans, 410
and charged-off loans and the total dollar value of the charged- 411
off loans; 412

(b) The average loan size, average contracted and average 413
experienced annual percentage rate, average charges per loan, 414
total contracted loan charges, and total loan charges actually 415
paid; 416

(c) The total number of check collection charges and the 417
total dollar value of those charges; 418

(d) The total number of licensee business locations and 419
the average number of borrowers per location; 420

(e) Any other nonprivate information determined by the 421

superintendent. 422

Sec. 1321.46. (A) Before initiating a short-term loan 423
transaction with a borrower, a licensee shall make a reasonable 424
attempt to verify the borrower's income for purposes of division 425
(B) (2) of section 1321.39 and section 1321.391 of the Revised 426
Code. At a minimum, the licensee shall obtain from the borrower 427
one or more recent pay stubs or other written evidence of 428
recurring income, such as a bank statement. The written evidence 429
shall include at least one document that, when presented to the 430
licensee, is dated not earlier than forty-five days prior to the 431
borrower's initiation of the short-term loan transaction. If the 432
borrower intends to provide a bank statement, the licensee shall 433
permit the borrower to delete from the statement the information 434
regarding to whom the debits listed on the statement are 435
payable. 436

(B) The superintendent of financial institutions may adopt 437
rules under section 1321.43 of the Revised Code that set forth 438
any other procedures the superintendent considers necessary to 439
ensure accurate verification of borrower income. 440

Sec. 1321.592. (A) A registrant shall not make a loan 441
under sections 1321.51 to 1321.60 of the Revised Code that meets 442
either of the following conditions: 443

(1) The amount of the loan is one thousand dollars or 444
less. 445

(2) The loan has a duration of one year or less. 446

(B) A registrant shall not engage in any act or practice 447
to evade the requirement of division (A) of this section, 448
including by contracting with a borrower to make a loan on terms 449
that would be prohibited by that division. 450

<u>(C) No registrant shall fail to comply with this section.</u>	451
Sec. 1321.99. (A) Whoever violates section 1321.02 of the Revised Code is guilty of a felony of the fifth degree.	452 453
(B) Whoever violates section 1321.13 of the Revised Code shall be fined not less than one hundred nor more than five hundred dollars or imprisoned not more than six months, or both.	454 455 456
(C) Whoever violates section 1321.14 of the Revised Code shall be fined not less than fifty nor more than two hundred dollars for a first offense; for a second offense such person shall be fined not less than two hundred nor more than five hundred dollars and imprisoned for not more than six months.	457 458 459 460 461
(D) Whoever willfully violates section 1321.57, 1321.58, division (A), (B), or (C) of section 1321.59, 1321.591, or 1321.60 of the Revised Code is guilty of a minor misdemeanor and shall be fined not less than one nor more than five hundred dollars.	462 463 464 465 466
(E) (1) Whoever violates section 1321.63 or division (H), (I), or (K) of section 1321.69 of the Revised Code is guilty of a felony of the fifth degree.	467 468 469
(2) A violation of section 1321.63 or division (K) of section 1321.69 of the Revised Code is a strict liability offense and section 2901.20 of the Revised Code does not apply.	470 471 472
(F) Whoever violates division (A) of section 1321.73 of the Revised Code shall be fined not more than five hundred dollars or imprisoned not more than six months, or both.	473 474 475
(G) Whoever violates section 1321.41 of the Revised Code is guilty of a misdemeanor of the first degree.	476 477
(H) <u>Whoever violates section 1321.141 or 1321.592 of the</u>	478

Revised Code is guilty of a minor misdemeanor and shall be fined 479
not less than one hundred nor more than five hundred dollars. 480

(I) The offenses established under sections 1321.141, 481
1321.41, and 1321.592 of the Revised Code are strict liability 482
offenses and section 2901.20 of the Revised Code does not apply. 483
The designation of these offenses as strict liability offenses 484
shall not be construed to imply that any other offense for which 485
there is no specified degree of culpability, whether in this 486
section or another section of the Revised Code, is not a strict 487
liability offense. 488

(J) The imposition of fines pursuant to this section does 489
not preclude the imposition of any administrative fines or civil 490
penalties authorized under section 1321.54 or any other section 491
of the Revised Code. 492

Sec. 4712.071. No credit services organization shall sell, 493
provide, or perform any of the services authorized under 494
division (C) (1) of section 4712.01 of the Revised Code in 495
connection with an extension of credit that meets any of the 496
following conditions: 497

(A) The amount of credit is less than five thousand 498
dollars. 499

(B) The repayment term is one year or less. 500

(C) The annual percentage rate exceeds twenty-eight per 501
cent. For purposes of this division, "annual percentage rate" 502
has the same meaning as in the "Truth in Lending Act," 82 Stat. 503
149 (1980), 15 U.S.C. 1606, as implemented by regulations of the 504
consumer financial protection bureau. 505

Sec. 4712.99. (A) Whoever violates division (J) of section 506
4712.02, division (E) of section 4712.04, division (D) or (E) of 507

section 4712.05, division (A) of section 4712.06, section 508
4712.07 or 4712.08, or division (A) of section 4712.09 of the 509
Revised Code is guilty of a felony of the fifth degree. 510

(B) (1) Whoever violates section 4712.071 of the Revised 511
Code is guilty of a minor misdemeanor and shall be fined not 512
less than one hundred nor more than five hundred dollars. 513

(2) The offense established under section 4712.071 of the 514
Revised Code is a strict liability offense and section 2901.20 515
of the Revised Code does not apply. The designation of this 516
offense as a strict liability offense shall not be construed to 517
imply that any other offense for which there is no specified 518
degree of culpability, whether in this section or another 519
section of the Revised Code, is not a strict liability offense. 520

Section 2. That existing sections 1321.35, 1321.36, 521
1321.39, 1321.40, 1321.41, 1321.422, 1321.99, and 4712.99 and 522
sections 1321.46 and 1321.461 of the Revised Code are hereby 523
repealed. 524

Section 3. Sections 1 and 2 of this act apply only to 525
loans that are made, or extensions of credit that are obtained, 526
on or after the date that is one hundred eighty days after the 527
effective date of this act. 528

Section 4. Section 1321.99 of the Revised Code is 529
presented in this act as a composite of the section as amended 530
by both Sub. H.B. 199 and Sub. S.B. 24 of the 132nd General 531
Assembly. The General Assembly, applying the principle stated in 532
division (B) of section 1.52 of the Revised Code that amendments 533
are to be harmonized if reasonably capable of simultaneous 534
operation, finds that the composite is the resulting version of 535
the section in effect prior to the effective date of the section 536

as presented in this act.

537