

**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**

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**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  
a similar loan at a lower cost." 116  
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
<b>Sec. 1321.99.</b> (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.

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