



June 27, 2017

OHIO ENACTS NEW CONSUMER INSTALLMENT LOAN ACT

The Ohio Governor signed Ohio S.B. No. 24 that enacts the Ohio Consumer Installment Loan Act (CILA) effective September 11, 2017 [see our *Alert* of May 24, 2017 for additional information]. The new lending law generally mirrors the existing OMLA, the general lending law in Ohio, but has additional restrictions including:

- The loan term must be six months or more from the loan transaction date;
- The loan generally must require equal monthly payments with exceptions for variable rate loans and open-end credit;
- The loan may not be refinanced during the first 120 days of the loan;
- A loan origination fee may not be imposed more than three times in any 12 month period; and
- The loan must not be secured by real property.

Please let us know if you have any questions or would like more information. ☐

✧ *Elizabeth Anstaett and Emily Cellier*

summer break starting in July, so the bill will be considered by the Senate in the fall.

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OHIO HOUSE PASSES NEW MORTGAGE LENDING BILL

The Ohio House of Representatives passed Ohio Sub. H.B. No. 199. The bill removes all mortgage provisions from the Ohio Mortgage Loan Act and amends the Ohio Mortgage Broker Act to create the Ohio Residential Mortgage Lending Act.

Since the SAFE Act amendments were made to the Ohio Mortgage Loan Act and Ohio Mortgage Broker Act, Ohio has had a complex and unclear regulatory system for licensing mortgage lenders, mortgage brokers and mortgage loan originators.

The goal of the new legislation is to modernize and simplify Ohio's mortgage licensing laws, while leaving the existing general non-mortgage lending authority under the Ohio Mortgage Loan Act in place.

Ohio Sub. H.B. No. 199 now moves to the Senate for consideration. The Ohio General Assembly generally takes a

Darrell L. Dreher
ddreher@dtlaw.com

Elizabeth L. Anstaett
eanstaett@dtlaw.com

Emily C. Cellier
ecellier@dtlaw.com

Susan L. Ostrander
sostrander@dtlaw.com

2750 HUNTINGTON CENTER
41 S. HIGH STREET
COLUMBUS, OHIO 43215
TELEPHONE: (614) 628-8000 FACSIMILE: (614) 628-1600
WWW.DTLAW.COM

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Michael C. Tomkies
mtomkies@dtlaw.com

Susan M. Seaman
sseaman@dtlaw.com

Judith M. Scheiderer
jscheiderer@dtlaw.com

Robin R. De Leo
robin@dreher-la.com