

DIVISION OF FINANCIAL INSTITUTIONS

General information (COM)

Duties

The Division of Financial Institutions (the “Division”) is the primary regulator for all state-chartered banks, credit unions, and trust companies, with a focus on ensuring both the relative competitiveness and the overall fiscal safety and soundness of these institutions. In these endeavors, the Division works closely with industry stakeholders, most directly the Ohio Banking Commission, created pursuant to R.C. 1123.01, and the Ohio Credit Union Council, created pursuant to R.C. 1733.329. As of June 30, 2022, there were 107 state-chartered banks, with total assets over \$74 billion; 105 state-chartered credit unions, with assets over \$30 billion; and six non-depository trust companies. The Division also is responsible for administering and enforcing twelve distinct licensing regimes relating to consumer finance in some capacity. As of June 30, 2022, thousands of distinct licensees held over 28,000 licenses issued by the Division. Finally, the Division’s Office of Consumer Affairs provides a variety of information and resources with the goal of educating consumers about various financial products and services, as well as alerting the public to current and emerging financial scams. The Office of Consumer Affairs also facilitates an informal consumer complaint process involving state-chartered financial institutions and consumer finance companies.

Membership *(Current members, chairperson and other officers, and selection process.)*

Kevin Allard – Division Superintendent; appointed by the Governor

Ingrid White – Deputy Superintendent of Banks; appointed by the Superintendent

Robert Rutkowski – Deputy Superintendent of Credit Unions; appointed by the Superintendent

Pamela Prude-Smithers – Deputy Superintendent of Consumer Finance; appointed by the Superintendent

Budget *(Current budget, description of budgeting process, sources of funding, and expected increases or decreases in budget or funding in future years.)*

The Division's total budget for FY 2023 is \$24,063,056. The Division expects its budget to increase in future years. Anticipated budget increases are due to future IT projects and potentially adding staff to keep pace with increased workload in certain areas. The Division receives no general revenue funds. Rather, the Division is funded entirely from the following sources: (1) assessments on state-chartered banks and credit unions; (2) initial and other fees paid by licensees; and (3) annual assessments on certain licensees. The Division anticipates funding in category (1) to remain relatively stable in the near future. Funding in categories (2) and (3) is difficult to predict and can vary widely from year to year, particularly in the area of mortgage licensing. For example, total revenue derived from mortgage brokers and loan officers was \$3.5 million in FY 2020, \$4.9 million in FY 2021, \$8.1 million in FY 2022, but is expected to be \$5.1 million in FY 2023. The Division maintains cash reserves from year-to-year to account for unexpected changes to revenue and/or expenses.

Workload *(Assess current, past, and anticipated workload. Has the workload increased or decreased significantly in the preceding six years?)*

Within the Division, the workload for the Credit Union Unit and the Bank Unit's Banking Section and Trust Sections has remained relatively consistent the last 4-6 years and is expected to remain so. The workload for the Bank Unit's Money Transmitter Section has increased significantly over the last 4-6 years and is expected to continue to increase. The workload for the Consumer Finance Unit has increased significantly in the last 4-6 years, particularly in the area of mortgage licensing, and is expected to continue to increase.

Staffing *(How many staff are currently employed by the Division? What are their roles? Are staffing levels proportionate to the Division's current and anticipated workload?)*

The Division currently has 110 funded, FTE positions. There are 44.5 FTEs in the Bank Unit's Banking Section and Trust Section, 42 of which are financial institution examiners or specialists. There are 7 FTEs in the Bank Unit's Money Transmitter Section, 4 of which are examiners or specialists. There are 19.5 FTEs in the Credit Union Unit, 17 of which are examiners or specialists. There are 27 FTEs in the Consumer Finance Unit, 17 of which are examiners or specialists. There are 2 FTEs in the Office of Consumer Affairs and 10 FTEs in Division Administration. The Division is seeking to add 2 funded positions in the Money Transmitter Section and 1 funded position in the Consumer Finance Unit for the next budget cycle to keep pace with increased workload in recent years.

Administrative hearings and public complaints *(Describe the Division's processes for administering discipline and addressing complaints. Assess the efficiency of the processes.)*

The Division's enforcement efforts are focused primarily on compliance and safety and soundness issues. For banks, credit unions, trust companies, and many of the licensing regimes under the Division's jurisdiction, this is facilitated and accomplished through regularly scheduled, comprehensive examinations. Separately, entities and individuals requiring a license are subject to a thorough licensing review process. When warranted and necessary, discipline against licensees may be effectuated through the tools provided for in the specific statutory scheme. Through the administrative hearing process governed by R.C. Chapter 119, the Division typically has the authority to deny license applications in the first instance, issue cease and desist orders, refuse to renew licensees, or suspend or revoke licenses, and impose civil fines for violations of Ohio law. Finally, the Office of Consumer Affairs has a full-time staff member dedicated to handling public complaints. As indicated, the Office of Consumer Affairs provides immediate resources to complainants and, when appropriate, will attempt to facilitate an informal resolution by seeking a response from the entity or individual against who the complaint was made. Public complaints also are evaluated for possible enforcement activity by the Division. Overall, these processes are effective.

Small loan license

Survey responses (COM)

Description

Requires any person or entity engaging in the business of lending money in the amount of \$1,000 to \$5,000 to obtain a license. Limits the fees and interest that can be charged on such loans.

Type (License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.)

License

If the regulation is a registration, certification, or license requirement, please complete the following:

Number issued annually	6 in 2021
Number renewed annually	N/A Licenses remain in effect until surrendered, revoked, or cancelled by operation of law.
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	Yes; 78 licenses as of June 30, 2018; 33 licenses as of June 30, 2022
Education or training requirements	N/A
Experience requirements	N/A

If the regulation is a registration, certification, or license requirement, please complete the following:

<p>Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)</p>	<p>N/A</p>
<p>Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)</p>	<p>N/A</p>
<p>Initial fee</p>	<p>\$200 investigation fee + license fee of up to \$300. Additionally, applicants are required to pay a charge in order to access and use NMLS (see below). The Division does not set these charges, has no control over them, and does not receive any portion of them. As of July 1, 2022, the charges are \$100 for companies, \$20 for branches, and \$30 for individuals.</p>
<p>Duration</p>	<p>Annual/1 year</p>
<p>Renewal fee (<i>If different from initial fee, please explain why.</i>)</p>	<p>License fee of up to \$300 + NMLS fee</p>
<p>Does the Division recognize uniform licensure requirements or allow for reciprocity?</p>	<p>The Division does utilize the Nationwide Multistate Licensing System & Registry (NMLS), which standardizes certain aspects of the licensing process. However, the Division does not recognize any uniform, substantive requirements due to state-specific laws and rules. No reciprocity.</p>
<p>Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?</p>	<p>No</p>

If the regulation is a registration, certification, or license requirement, please complete the following:

Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?	There exists the opportunity for certain lending products to overlap between the Ohio Small Loan Act, the Ohio Consumer Installment Loan Act, and the General Loan Law.
Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?	Yes
Other information (<i>Significant attributes or prerequisites to licensure not addressed in this chart.</i>)	Division must determine whether the financial responsibility, experience, and general fitness of the applicant—and its members, officers, and/or directors—indicate that the business will be operated lawfully, honestly, and fairly. Members, officers, and/or directors must also undergo criminal background check. Applicants must have at least \$25,000 readily available to fund operations.

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

The Division has the authority to investigate applicants, licensees, and any individuals/entities suspected of engaging in the licensed activity, including through the issuance of subpoenas. The Division is required to conduct an annual examination of all licensees. Licensees are required to file an annual report. The Division has the authority, through the Chapter 119 administrative process, to deny a license application, suspend or revoke a license, and issue cease and desists orders. The Division also has the authority to file civil lawsuits to enjoin violations and/or appoint a receiver. The Division does not have the authority to issue or assess civil fines for violations.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$18,100 and is used to fund the operations of the Consumer Finance Unit.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

TILA, FDCPA, MLA, SCRA and Reg E are a few of the federal regulations and rules that govern lending for all states, in addition to state laws and rules. State law requires state licensure.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

Protecting members of the general public from lending practices that the General Assembly has determined to be predatory. The “harm” that the regulation seeks to prevent focuses on ensuring that licensees are properly educated and licensed to mitigate any consumer harm when engaging in financial transactions with Ohio consumers. This is especially important as many of the loans that are obtained by Ohioans have a substantial impact on the financial wellbeing of an individual or family. In addition, often licensees have consumer-permitted access to debit consumers bank accounts and hold money to pay according to terms of the loan, making it critical that the Division ensures companies and individuals are properly licensed, educated, and adhere to applicable regulations for consumer protection.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Overall, the regulation has been effective, and there are no less restrictive ways to prevent the harm.

Are there any changes the Division would like to see implemented?

A 2-year (rather than annual) exam cycle. Authority to issue civil fines. There also may exist the possibility to evaluate the viability of combining certain small-dollar non-mortgage lending statutes. Currently, the existence of multiple licenses with overlapping requirements/restrictions leads to some industry and regulatory confusion as well as the potential for “over-licensure” to ensure compliance with all applicable requirements.

Surrounding state comparison (LSC)

Small Loan License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 1321.01 to 1321.19</i>).	License (<i>Ind. Code 24-4.5-7-101, et seq.</i>). ¹⁸	Not distinguished from general consumer loan license, referred to as a “consumer	Not distinguished from general consumer loan license, referred	Not distinguished from general consumer loan license, referred to as a “consumer	Not distinguished from general consumer loan license, referred to as a “regulated

¹⁸ See also page 1 of [To Applicants for a Small Loan License \(PDF\)](#), which is available on the Indiana Department of Financial Institutions’ website: in.gov/dfi/ by clicking “Licensing and Applications,” then “Consumer Credit Licensing,” then “Small Loan License.”

Small Loan License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
			loan company license.”	to as a “regulatory loan license.”	discount company license.”	consumer lender.”
Education or training	N/A	N/A	N/A	N/A	N/A	N/A
Experience	Applicant must demonstrate financial responsibility, experience, and general fitness. Must have at least \$25,000 readily available for the operation of the business. (R.C. 1321.04.)	Applicant must have two years of related finance experience. Must also have a net worth of at least \$100,000 and at least \$50,000 in liquid assets. ¹⁹	N/A	N/A	N/A	N/A
Exam	N/A	N/A	N/A	N/A	N/A	N/A
Continuing education	N/A	N/A	N/A	N/A	N/A	N/A

¹⁹ See page 1 of [To Applicants for a Small Loan License \(PDF\)](#), which is available on the Indiana Department of Financial Institutions’ website: in.gov/dfi/ by clicking “Licensing and Applications,” then “Consumer Credit Licensing,” then “Small Loan License.”

Small Loan License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Initial licensure fee	\$200 investigation fee and \$300 license fee (<i>R.C. 1321.03</i>). ²⁰	\$2,000 plus \$750 for each branch location. ²¹	N/A	N/A	N/A	N/A
License duration	Annual (<i>R.C. 1321.05</i>).	Annual. ²²	N/A	N/A	N/A	N/A
Renewal fee	\$300 (<i>R.C. 1321.05</i>). ²³	\$2,000 plus \$750 for each branch location. Maximum \$10,000. ²⁴	N/A	N/A	N/A	N/A

²⁰ See also page 3 of [OH Small Loan Act License New Application Checklist \(PDF\)](#), which is available on NMLS’s website: mortgage.nationwidelicensingsystem.org by clicking “State Licensing,” then “Ohio,” then, in the “Small Loan License” row of the table, “New Application.”

²¹ See page 1 of [To Applicants for a Small Loan License \(PDF\)](#), which is available on the Indiana Department of Financial Institutions’ website: in.gov/dfi/ by clicking “Licensing and Applications,” then “Consumer Credit Licensing,” then “Small Loan License.”

²² See page 1 of [To Applicants for a Small Loan License \(PDF\)](#), which is available on the Indiana Department of Financial Institutions’ website: in.gov/dfi/ by clicking “Licensing and Applications,” then “Consumer Credit Licensing,” then “Small Loan License.”

²³ See also page 3 of [OH Small Loan Act License New Application Checklist \(PDF\)](#), which is available on NMLS’s website: mortgage.nationwidelicensingsystem.org by clicking “State Licensing,” then “Ohio,” then, in the “Small Loan License” row of the table, “New Application.”

²⁴ See page 1 of [To Applicants for a Small Loan License \(PDF\)](#), which is available on the Indiana Department of Financial Institutions’ website: in.gov/dfi/ by clicking “Licensing and Applications,” then “Consumer Credit Licensing,” then “Small Loan License.”

General loan certificate of registration

Survey responses (COM)

Description
A General Loan Law registrant may make loans, other than a residential mortgage, that are for more than \$1,000 and that have a duration of over one year. Limits the fees and the interest that may be charged on these loans

Type (License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.)
License

If the regulation is a registration, certification, or license requirement, please complete the following:	
Number issued annually	23 in 2021
Number renewed annually	244 in the most recent renewal period

If the regulation is a registration, certification, or license requirement, please complete the following:	
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	Yes; 1,523 licenses as of June 30, 2018; 265 licenses as of June 30, 2022
Education or training requirements	N/A
Experience requirements	N/A
Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)	N/A
Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)	N/A
Initial fee	\$200 investigation fee + license fee of \$300. Additionally, applicants are required to pay a charge in order to access and use NMLS (see below). The Division does not set these charges, has no control over them, and does not receive any portion of them. As of July 1, 2022, the charges are \$100 for companies, \$20 for branches, and \$30 for individuals.
Duration	Annual/1 year
Renewal fee (<i>If different from initial fee, please explain why.</i>)	License fee of \$300 + NMLS fee

If the regulation is a registration, certification, or license requirement, please complete the following:	
Does the Division recognize uniform licensure requirements or allow for reciprocity?	The Division does utilize the Nationwide Multistate Licensing System & Registry (NMLS), which standardizes certain aspects of the licensing process. However, the Division does not recognize any uniform, substantive requirements due to state-specific laws and rules. No reciprocity.
Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?	No.
Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?	There exists the opportunity for certain lending products to overlap between the Ohio Small Loan Act, the Ohio Consumer Installment Loan Act, and the General Loan Law.
Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?	Yes
Other information (<i>Significant attributes or prerequisites to licensure not addressed in this chart.</i>)	Each applicant must maintain net worth of \$50,000 + have access to \$50,000 for use in the operation of the business. The Division must determine whether the financial responsibility, experience, and general fitness of the applicant command the confidence of the public and warrant the belief that the business will be operated honestly and fairly in compliance with law. Any individual with the authority to direct or control the operations of the applicant must undergo civil and criminal background check.

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

The Division has the authority to investigate applicants, licensees, and any individuals/entities suspected of engaging in the licensed activity, including through the issuance of subpoenas. The Division is required to conduct an examination of all licensees once every 18 months. Licensees are required to file an annual report. The Division has the authority, through the Chapter 119 administrative process, to deny a license application; refuse to renew, suspend, or revoke a license; issue cease and desist orders; and impose civil fines. Additionally, the Division has the authority to file civil lawsuits to enjoin violations and for civil penalties.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$102,100 and is used to fund the operations of the Consumer Finance Unit.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

TILA, FDCPA, MLA, SCRA and Reg E are a few of the federal regulations and rules that govern lending for all states, in addition to state laws and rules. State law requires state licensure.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

Protecting members of the general public from lending practices that the General Assembly has determined to be predatory. The “harm” that the regulation seeks to prevent focuses on ensuring that licensees are properly educated and licensed to mitigate any consumer harm when engaging in financial transactions with Ohio consumers. This is especially important as many of the loans that are obtained by Ohioans have a substantial impact on the financial wellbeing of an individual or family. In addition, often licensees have consumer-permitted access to debit consumers bank accounts and hold money to pay according to terms of the loan, making it critical that the Division ensures companies and individuals are properly licensed, educated, and adhere to applicable regulations for consumer protection.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Overall, the regulation has been effective, and there are no less restrictive ways to prevent the harm.

Are there any changes the Division would like to see implemented?

A 2-year exam cycle to match records retention timeframe. There may exist the possibility to evaluate the viability of combining certain small-dollar non-mortgage lending statutes. Currently, the existence of multiple licenses with overlapping requirements/restrictions leads to some industry and regulatory confusion as well as the potential for “over-licensure” to ensure compliance with all applicable requirements.

Surrounding state comparison (LSC)

General Loan Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 1321.51 to 1321.60</i>).	License – “consumer loan license” (<i>Ind. Code 24-4.5-3-502</i>).	License – “consumer loan company license” (<i>Ky. Rev. Stat. 286.4-420</i>).	License – “regulatory loan license” (<i>Mich. Comp. Laws 493.2</i>).	License – “consumer discount company license” (<i>7 Pa. Stat. 6203</i>).	License – “regulated consumer lender license” (<i>W. Va. Code 46A-4-101</i>).
Education or training	N/A	Applicant must demonstrate professional training (<i>Ind. Code 24-4.5-3-503(2)</i>).	N/A	N/A	N/A	N/A
Experience	Applicant must demonstrate financial responsibility, experience, and general fitness to command the confidence of the public. Must have and maintain net worth of \$50,000, and available assets of at least \$50,000. (<i>R.C. 1321.53(A)(6) and (B)</i> .)	Applicant must demonstrate experience, financial responsibility, character, and fitness. Must have net worth of at least \$100,000, and liquid assets of at least \$50,000. (<i>Ind.</i>)	Applicant must demonstrate sufficient financial condition by having and maintaining net worth of at least \$50,000 for a privately held business with receivables of \$1 million or less, \$100,000 for a privately held business with receivables of more than \$1	Applicant must demonstrate financial responsibility, experience, character, and general fitness. Must have net worth of at least \$100,000 for each business location. (<i>Mich. Comp. Laws 493.2(3) and 493.4(1)</i> .)	Applicant must be a business with capitalization of at least \$75,000. Capitalization requirement increases by \$25,000 for each additional place of business. (<i>7 Pa. Stat. 6207</i> .)	Applicant must demonstrate financial responsibility, experience, character, and fitness. Must have and maintain \$10,000 in available capital plus an additional \$2,000 in available capital for each business location. (<i>W. Va. Code 46A-4-102</i> .)

General Loan Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
		<i>Code 24-4.5-3-503(2).</i> ²⁵	million, or \$250,000 for a publicly traded business. Managing principal must have at least two years of lending experience. <i>(Ky. Rev. Stat. 286.4-450.)</i>			
Exam	N/A	N/A	N/A	N/A	N/A	N/A
Continuing education	N/A	N/A	N/A	N/A	N/A	N/A
Initial licensure fee	\$300 registration fee plus a \$200 investigation fee. For out-of-state applicants, the	\$1,000 <i>(Ind. Code 24-4.5-3-503 and 28-11-3-5).</i> ²⁶	\$500 investigation fee plus \$500 license fee for each business	\$1,000 operating fee plus \$450 investigation fee	\$200 for each business location <i>(7 Pa. Stat. 6206).</i>	\$750 investigation fee for each business location <i>(W. Va. Code 46A-4-102(1)).</i>

²⁵ See also page 3 of [IN Consumer Loan License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Indiana,” then “Indiana Department of Financial Institutions (DFI),” then, in the “Consumer Loan License” row of the table, “New Application.”

²⁶ See also page 3 of [IN Consumer Loan License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Indiana,” then “Indiana Department of Financial Institutions (DFI),” then, in the “Consumer Loan License” row of the table, “New Application.”

General Loan Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
	investigation fee may exceed \$200 if necessary to cover the actual expenses of the Superintendent of Financial Institutions in conducting the investigation. Additional fee may apply for criminal records check conducted by the Bureau of Criminal Identification and Investigation. <i>(R.C. 1321.53(A)(2) and (4).)</i>		location <i>(Ky. Rev. Stat. 286.4-440).</i>	<i>(Mich. Comp. Laws 493.8).</i> ²⁷		
License duration	Annual <i>(R.C. 1321.53(A)(6)).</i>	Annual <i>(Ind. Code 24-4.5-3-503.6).</i>	Annual <i>(Ky. Rev. Stat. 286.4-440 and 286.4-480).</i>	Annual <i>(Mich. Comp. Laws 493.8).</i>	Annual <i>(7 Pa. Stat. 6206).</i>	Annual <i>(W. Va. Code 31A-2-8).</i>

²⁷ See also page 1 of [Schedule of Fees \(PDF\)](#), available on the Michigan Department of Insurance and Financial Institutions’ website: Michigan.gov/difs by conducting a keyword search for “Regulatory Loan Act Schedule of Fees.”

General Loan Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Renewal fee	\$300 (<i>R.C. 1321.53(A)(6)</i>).	\$1,000 (<i>Ind. Code 24-4.5-3-503 and 28-11-3-5</i>). ²⁸	\$500 for each business location (<i>Ky. Rev. Stat. 286.4-440 and 286.4-480</i>).	Based upon the volume and types of activities conducted by the licensee during the previous year (<i>Mich. Comp. Laws 493.8</i>).	\$200 for each business location (<i>7 Pa. Stat. 6206</i>).	Based on outstanding gross loan balances and installment sales contract balances (<i>W. Va. Code 31A-2-8(b)(2)</i>).

Insurance premium finance company

Survey responses (COM)

Description
Prohibits a person from engaging in the business of or otherwise acquiring insurance premium finance agreements in Ohio without having a license. Generally, insurance premium finance agreements are agreements by which a finance company advances or pays insurance premiums on behalf of the insured, in exchange for the insured’s promise to repay the amount advanced plus a service fee. Proscribes and/or prohibits certain activities by licensees.

²⁸ See also page 3 of [IN Consumer Loan License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Indiana,” then “Indiana Department of Financial Institutions (DFI),” then, in the “Consumer Loan License” row of the table, “New Application.”

Type (License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.)

License

If the regulation is a registration, certification, or license requirement, please complete the following:

Number issued annually	1 in 2021
Number renewed annually	45 in the most recent renewal period
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	No; 51 licenses as of June 30, 2018; 48 licenses as of June 30, 2022
Education or training requirements	N/A
Experience requirements	N/A

If the regulation is a registration, certification, or license requirement, please complete the following:

<p>Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)</p>	<p>N/A</p>
<p>Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)</p>	<p>N/A</p>
<p>Initial fee</p>	<p>\$200 investigation fee + license fee of \$375 (or \$187.50 for applications submitted after July 1). Applicants also are required to pay a charge in order to access and use NMLS (see below). The Division does not set these charges, has no control over them, and does not receive any portion of them. As of July 1, 2022, the charges are \$100 for companies, \$20 for branches, \$30 for individuals.</p>
<p>Duration</p>	<p>Annual/1 year</p>
<p>Renewal fee (<i>If different from initial fee, please explain why.</i>)</p>	<p>License fee of \$375 + NMLS fee</p>
<p>Does the Division recognize uniform licensure requirements or allow for reciprocity?</p>	<p>The Division does utilize the Nationwide Multistate Licensing System & Registry (NMLS), which standardizes certain aspects of the licensing process. However, the Division does not recognize any uniform, substantive requirements due to state-specific laws and rules. No reciprocity.</p>
<p>Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?</p>	<p>No</p>

If the regulation is a registration, certification, or license requirement, please complete the following:

<p>Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?</p>	<p>No</p>
<p>Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?</p>	<p>Yes</p>
<p>Other information (<i>Significant attributes or prerequisites to licensure not addressed in this chart.</i>)</p>	<p>The Division must determine whether the applicant is competent and trustworthy, has a good business reputation, and has had experience, training, or education to be qualified to conduct business as a licensee. Individuals who have the ability to materially influence the applicant’s conduct are subject to a criminal background check. Applicant must have a net worth of at least \$50,000.</p>

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

The Division has the authority to investigate applicants, licensees, and any individuals/entities suspected of engaging in the licensed activity, including through the issuance of subpoenas. The Division may, but is not required to, conduct examinations of licensees. Licensees are required to keep records but are not required to file any reports. The Division has the authority, through the Chapter 119 administrative process, to deny a license application; refuse to renew, suspend, or revoke a license; issue cease and desist orders; and impose civil fines. Additionally, the Division has the authority to file civil lawsuits to enjoin violations.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$19,187.50 and is used to fund the operations of the Consumer Finance Unit.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

TILA, FDCPA, MLA, SCRA and Reg E are a few of the federal regulations and rules that govern lending for all states, in addition to state laws and rules. State law requires state licensure.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

Protecting members of the general public from lending practices that the General Assembly has determined to be predatory. The “harm” that the regulation seeks to prevent focuses on ensuring that licensees are properly educated and licensed to mitigate any consumer harm when engaging in financial transactions with Ohio consumers. This is especially important as many of the loans that are obtained by Ohioans have a substantial impact on the financial wellbeing of an individual or family. In addition, often licensees have consumer-permitted access to debit consumers bank accounts and hold money to pay according to terms of the loan, making it critical that the Division ensures companies and individuals are properly licensed, educated, and adhere to applicable regulations for consumer protection.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Overall, the regulation has been effective, and there are no less restrictive ways to prevent the harm.

Are there any changes the Division would like to see implemented?

No.

Surrounding state comparison (LSC)

Insurance Premium Finance Company License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 1321.71 to 1321.84</i>).	No clear equivalent.	License (<i>Ky. Rev. Stat. 304.30-030</i>).	License (<i>Mich. Comp. Laws 500.1503(1)</i>).	License (<i>40 Pa. Stat. 3303</i>).	No clear equivalent.
Education or training	Applicant must demonstrate adequate experience, training, or	N/A	Applicant must demonstrate sufficient training and education	Applicant must demonstrate sufficient experience, training, or	Individuals, officers, and members must demonstrate adequate	N/A

Insurance Premium Finance Company License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
	education (<i>R.C. 1321.74(B)</i>).		(<i>Ky. Rev. Stat. 304.30-040</i>).	education (<i>Mich. Comp. Laws 500.1504(2)</i>).	experience, training, or education (<i>40 Pa. Stat. 3304</i>).	
Experience	Applicant must demonstrate competence and trustworthiness, good business reputation, and net worth of at least \$50,000 (<i>R.C. 1321.74(B)</i>).	N/A	Applicant must demonstrate competence, trustworthiness, good faith, good business reputation, and sufficient experience. Must have net worth of at least \$150,000, or \$50,000 with a line of credit of at least \$100,000. (<i>Ky. Rev. Stat. 304.30-040</i> .) ²⁹	Applicant must demonstrate competence, trustworthiness, and good business reputation. Must have and maintain net worth of at least \$50,000. (<i>Mich. Comp. Laws 500.1504(2)</i> .)	Applicant must demonstrate competence, trustworthiness, good faith, and good business reputation. Must have and maintain net worth of at least \$50,000. (<i>40 Pa. Stat. 3304</i> .)	N/A
Exam	N/A	N/A	N/A	N/A	N/A	N/A
Continuing education	N/A	N/A	N/A	N/A	N/A	N/A

²⁹ See also page 1 of [Checklist of Kentucky Requirements for Licensing an Insurance Premium Finance Company \(PDF\)](#), available on the Kentucky Department of Insurance’s website: insurance.ky.gov by clicking “Forms and Documents” and conducting a keyword search for “Insurance Premium Finance Company forms.”

Insurance Premium Finance Company License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Initial licensure fee	\$375 license fee, investigation fee of at least \$200 and not to exceed \$300 for in-state applicants or, for out-of-state applicants, the estimated cost of the investigation. (R.C. 1321.73(B) and 1321.74(A).) ³⁰	N/A	\$500 (806 Ky. Admin. Regs. 4:010(22)).	\$200 (Mich. Comp. Laws 500.1503(2)).	\$200 (40 Pa. Stat. 3303).	N/A
License duration	Annual (R.C. 1321.73(B)).	N/A	Annual (806 Ky. Admin. Regs. 4:010(22)).	Annual (Mich. Comp. Laws 500.1503(2)).	Annual (40 Pa. Stat. 3303).	N/A
Renewal fee	\$375 (R.C. 1321.73(B)). ³¹	N/A	\$100 (806 Ky. Admin. Regs. 4:010(22)).	\$200 (Mich. Comp. Laws 500.1503(2)).	\$200 (40 Pa. Stat. 3303).	N/A

³⁰ See also page 3 of [OH Insurance Premium Finance License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicensingsystem.org by clicking “State Licensing,” then “Ohio,” then, in the “Insurance Premium Finance License” row of the table, “New Application.”

³¹ See also page 3 of [OH Insurance Premium Finance License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicensingsystem.org by clicking “State Licensing,” then “Ohio,” then, in the “Insurance Premium Finance License” row of the table, “New Application.”

Credit service organization certificate of registration

Survey responses (COM)

Description
The Credit Services Organization Act requires credit service organizations to hold a certificate of registration. Services offered by credit service organizations can include improving an individual’s credit history or rating, obtaining extensions of credit for individuals, and providing advice or assistance as to other aspects of an individual’s credit history or record. Proscribes and/or prohibits certain activities by licensees.

Type (License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.)
License

If the regulation is a registration, certification, or license requirement, please complete the following:	
Number issued annually	16 granted in 2021
Number renewed annually	29 in the most recent renewal period

If the regulation is a registration, certification, or license requirement, please complete the following:	
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	No; 47 licenses as of June 30, 2018; 40 licenses as of June 30, 2022
Education or training requirements	N/A
Experience requirements	N/A
Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)	N/A
Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)	N/A
Initial fee	License fee of \$100. Applicants also are required to pay a charge in order to access and use NMLS (see below). The Division does not set these charges, has no control over them, and does not receive any portion of them. As of July 1, 2022, the charges are \$100 for companies, \$20 for branches, \$30 for individuals.
Duration	Annual/1 year

If the regulation is a registration, certification, or license requirement, please complete the following:	
Renewal fee <i>(If different from initial fee, please explain why.)</i>	License fee of \$100 + NMLS fee
Does the Division recognize uniform licensure requirements or allow for reciprocity?	The Division does utilize the Nationwide Multistate Licensing System & Registry (NMLS), which standardizes certain aspects of the licensing process. However, the Division does not recognize any uniform, substantive requirements due to state-specific laws and rules. No reciprocity.
Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?	No
Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?	No
Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?	Yes
Other information <i>(Significant attributes or prerequisites to licensure not addressed in this chart.)</i>	Applicants must maintain a \$50,000 surety bond. Applicants must disclose any litigation commenced against it, or any unresolved complaints filed against it. Criminal background check of any person that directly or indirectly owns 10% of the applicant.

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

The Division has the authority to investigate applicants, licensees, and any individuals/entities suspected of engaging in the licensed activity, including through the issuance of subpoenas. No examination authority. The Division has the authority, through the Chapter 119 administrative process, to deny a license application; refuse to renew, suspend, or revoke a license; and issue cease and desist orders. Additionally, the Division has the authority to file civil lawsuits to enjoin violations. No authority to issue civil fines.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$5,300 and is used to fund the operations of the Consumer Finance Unit.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

TILA, FDCPA, MLA, SCRA and Reg E are a few of the federal regulations and rules that govern lending for all states, in addition to state laws and rules. State law requires state licensure.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

Protecting members of the general public from lending practices that the General Assembly has determined to be predatory. The “harm” that the regulation seeks to prevent focuses on ensuring that licensees are properly educated and licensed to mitigate any consumer harm when engaging in financial transactions with Ohio consumers. This is especially important as many of the loans that are obtained by Ohioans have a substantial impact on the financial wellbeing of an individual or family. In addition, the regulation prohibits most lenders from providing loans under the statute, thereby helping ensure that the services provided by licensees assists or provides a service to Ohio consumers.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Overall, the regulation has been effective, and there are no less restrictive ways to prevent the harm.

Are there any changes the Division would like to see implemented?

License branch offices. Increase license fee. Provide compliance examination/investigation authority “as often as the Superintendent deems necessary.” (See language in 1315.24(A).) Authority to issue civil fines.

Surrounding state comparison (LSC)

Credit Service Organization Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	Registration (<i>R.C. 4712.02</i>).	Surety bond only (<i>Ind. Code 24-5-15-8</i>).	Registration – “debt adjuster” (<i>Ky. Rev. Stat. 380.040(5); 40 Ky. Admin. Regs. 2:350</i>).	Process regulations only (<i>Mich. Comp. Laws 445.1823, et seq.</i>).	Process regulations and surety bond only (<i>73 Pa. Stat. 2181 to 2192</i>).	Registration (<i>W. Va. Code 46A-6C-4 and 46A-6C-5</i>).
Education or training	N/A	N/A	N/A	N/A	N/A	N/A
Experience	N/A	N/A	N/A	N/A	N/A	N/A
Exam	N/A	N/A	N/A	N/A	N/A	N/A
Continuing education	N/A	N/A	N/A	N/A	N/A	N/A
Initial licensure fee	\$100 (<i>R.C. 4712.02(A)</i>).	N/A	\$250 (<i>Ky. Rev. Stat. 380.040(5)</i>).	N/A	N/A	\$50. ³²
License duration	Annual (<i>R.C. 4712.02(H)(1)</i>).	N/A	Annual (<i>Ky. Rev. Stat. 380.040(5)</i>).	N/A	N/A	One-time.
Renewal fee	\$100 (<i>R.C. 4712.02(H)(2)</i>).	N/A	\$250 (<i>Ky. Rev. Stat. 380.040(5)</i>).	N/A	N/A	N/A

³² See page 1 of [Credit Services Organization Registration Statement \(PDF\)](#), available on the West Virginia Secretary of State’s website: sos.wv.gov by conducting a keyword search for “Credit Services Organization.”

Short-term lender license

Survey responses (COM)

Description
Requires business that lend to customers in amounts less than \$1,000 to hold a Short Term Lender license. Limits the minimum and maximum durations of short-term lending and prohibits certain activity.

Type (License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.)
License

If the regulation is a registration, certification, or license requirement, please complete the following:	
Number issued annually	8 granted in 2021
Number renewed annually	111 in the most recent renewal period

If the regulation is a registration, certification, or license requirement, please complete the following:	
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	Yes; 0 licenses as of June 30, 2018; 234 licenses as of June 30, 2019; 119 licenses as of June 30, 2022
Education or training requirements	N/A
Experience requirements	N/A
Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)	N/A
Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)	N/A
Initial fee	\$200 investigation fee + license fee of \$1,000 for applications submitted 1/1 – 6/30, or \$500 for applications submitted 7/1 – 12/31. Applicants also are required to pay a charge in order to access and use NMLS (see below). The Division does not set these charges, has no control over them, and does not receive any portion of them. As of July 1, 2022, the charges are \$100 for companies, \$20 for branches, \$30 for individuals.
Duration	Annual/1 year
Renewal fee (<i>If different from initial fee, please explain why.</i>)	License fee of \$1,000 + NMLS fee

If the regulation is a registration, certification, or license requirement, please complete the following:	
Does the Division recognize uniform licensure requirements or allow for reciprocity?	The Division does utilize the Nationwide Multistate Licensing System & Registry (NMLS), which standardizes certain aspects of the licensing process. However, the Division does not recognize any uniform, substantive requirements due to state-specific laws and rules. No reciprocity.
Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?	No
Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?	No
Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?	Yes
Other information (<i>Significant attributes or prerequisites to licensure not addressed in this chart.</i>)	Applicant must have a net worth of at least \$100,000 and maintain a surety bond of at least \$100,000 (or in the amounts of \$50,000 for nonprofit organizations). The financial responsibility, experience, and general fitness of the applicant must be such as to warrant the belief that the business will be operated lawfully, honestly, and fairly under Ohio law. Criminal and civil background checks for all senior officers or partners of the applicant. Applicant or senior officer or partner cannot have been convicted of a disqualifying offense per R.C. 9.79 or been the subject of an adverse judgment for conversion, fraud, breach of fiduciary duty, or the like.

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

The Division has the authority to investigate applicants, licensees, and any individuals/entities suspected of engaging in the licensed activity, including through the issuance of subpoenas. The Division is required to conduct an examination of all licensees annually. Licensees are required to keep records and file an annual report. The Division has the authority, through the Chapter 119 administrative process, to deny a license application; refuse to renew, suspend, or revoke a license; issue cease and desist orders; and impose civil fines. Additionally, the Division has the authority to file civil lawsuits to enjoin violations and for civil penalties.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$126,400 and is used to fund the operations of the Consumer Finance Unit.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

TILA, FDCPA, MLA, SCRA and Reg E are a few of the federal regulations and rules that govern lending for all states, in addition to state laws and rules. State law requires state licensure.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

Protecting members of the general public from lending practices that the General Assembly has determined to be predatory. The “harm” that the regulation seeks to prevent focuses on ensuring that licensees are properly educated and licensed to mitigate any consumer harm when engaging in financial transactions with Ohio consumers. This is especially important as many of the loans that are obtained by Ohioans have a substantial impact on the financial wellbeing of an individual or family. In addition, often licensees have consumer-permitted access to debit consumers bank accounts and hold money to pay according to terms of the loan, making it critical that the Division ensures companies and individuals are properly licensed, educated, and adhere to applicable regulations for consumer protection.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Overall, the regulation has been effective, and there are no less restrictive ways to prevent the harm.

Are there any changes the Division would like to see implemented?

There may exist the possibility to evaluate the viability of combining certain small-dollar non-mortgage lending statutes. Currently, the existence of multiple licenses with overlapping requirements/restrictions leads to some industry and regulatory confusion as well as the potential for “over-licensure” to ensure compliance with all applicable requirements.

Surrounding state comparison (LSC)

Short-Term Lender License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 1321.35 to 1321.48</i>).	Not distinguished from general consumer loan license, referred to as a “consumer loan license.”	Not distinguished from general consumer loan license, referred to as a “consumer loan company license.”	Not distinguished from general consumer loan license, referred to as a “regulatory loan license.”	Not distinguished from general consumer loan license, referred to as “consumer discount company license.”	Not distinguished from general consumer loan license, referred to as “regulated consumer lender.”
Education or training	N/A	N/A	N/A	N/A	N/A	N/A
Experience	Applicant must demonstrate financial responsibility, experience, and general fitness. Must be financially sound and have a net worth of at least \$100,000 or, in the case of a nonprofit corporation, at least \$50,000. Must pass background	N/A	N/A	N/A	N/A	N/A

Short-Term Lender License

	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
	check. (<i>R.C. 1321.37(B).</i>)					
Exam	N/A	N/A	N/A	N/A	N/A	N/A
Continuing education	N/A	N/A	N/A	N/A	N/A	N/A
Initial licensure fee	\$200 investigation fee and \$1,000 license fee for each business location (<i>R.C. 1321.37(A).</i>)	N/A	N/A	N/A	N/A	N/A
License duration	Annual (<i>R.C. 1321.37.</i>)	N/A	N/A	N/A	N/A	N/A
Renewal fee	\$1,000 for each business location (<i>R.C. 1321.37(A).</i>)	N/A	N/A	N/A	N/A	N/A

Residential Mortgage Lending Act

Survey responses (COM)

Description
Passed in December 2017, the Ohio Residential Mortgage Lending Act (ORMLA) regulates all non-depository lending secured by residential real estate in the state. ORMLA requires entities engaged in business as a mortgage lender, mortgage servicer, or mortgage broker to hold a certification of registration or letter of exemption in one of the following categories: (1) standard registration; (2) letter of exemption; (3) nonprofit letter of exemption; or (4) third-party processor letter of exemption.

Type (License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.)
License.

If the regulation is a registration, certification, or license requirement, please complete the following:	
Number issued annually	846 granted in 2021 (845 standard registrations and 1 letter of exemption)
Number renewed annually	2,522 in the most recent renewal period

If the regulation is a registration, certification, or license requirement, please complete the following:	
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	Yes; 1,649 licenses as of June 30, 2018; 3,251 licenses as of June 30, 2022 (3,174 standard registrations and 77 total letters of exemption)
Education or training requirements	Yes – Applicant’s operations manager must have satisfied the education requirements and passed the examination for mortgage loan originators.
Experience requirements	Yes – Applicant’s operations manager must have 3 years origination experience.
Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)	Yes – Applicant’s operations manager must have satisfied the education requirements and passed the examination for mortgage loan originators.
Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)	No
Initial fee	<ul style="list-style-type: none"> • Standard registration: \$700 (plus may charge investigation fee) • Letter of exemption: \$350 • Nonprofit letter of exemption: \$0 • Third party processor letter of exemption: \$0 <p>Applicants also are required to pay a charge in order to access and use NMLS (see below). The Division does not set these charges, has no control over them, and does not receive any portion of them. As of July 1, 2022, the charges are \$100 for companies, \$20 for branches, \$30 for individuals.</p>

If the regulation is a registration, certification, or license requirement, please complete the following:	
Duration	Annual/1 year
Renewal fee <i>(If different from initial fee, please explain why.)</i>	Same as initial fees.
Does the Division recognize uniform licensure requirements or allow for reciprocity?	The Division does utilize the Nationwide Multistate Licensing System & Registry (NMLS), which standardizes certain aspects of the licensing process. However, the Division does not recognize any uniform, substantive requirements due to state-specific laws and rules. No reciprocity.
Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?	No
Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?	There exists the potential to conduct activity outside of Ohio regulation, including companies that conduct business-to-business and/or commercial lending, and non-profit companies that originate mortgages with interest falling below the usury rate. Additionally, servicing-only companies that service fewer than 5 mortgage loans per year are not required to be licensed.
Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?	Yes
Other information <i>(Significant attributes or prerequisites to licensure not addressed in this chart.)</i>	Applicant's financial responsibility, experience, and general fitness must command the confidence of the public and warrant the belief that the business will be operated honestly, fairly, and efficiently in compliance with Ohio law. Criminal and civil background checks for all individuals with 5% ownership interest, officers, or partners having control of the applicant. Neither applicant nor specified individuals have had a mortgage registration or license revoked by another state or been convicted of a disqualifying offense in accordance with R.C. 9.79. Applicant must have a surety bond between \$50,000 and \$150,000.

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

The Division has the authority to investigate applicants, licensees, and any individuals/entities suspected of engaging in the licensed activity, including through the issuance of subpoenas. The Division may examine the records of a registrant or holder of a letter of exemption as often as is considered necessary. Licensees are required to keep records and file quarterly reports. The Division has the authority, through the Chapter 119 administrative process, to deny a license application; refuse to renew, suspend, or revoke a license; issue cease and desist orders; and impose civil fines. Additionally, the Division has the authority to file civil lawsuits to enjoin violations and for civil penalties.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$2,676,480 and is used to fund the operations of the Consumer Finance Unit.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

TRID, RESPA, Reg X, Reg Z, TILA, FDCPA, MLA, SCRA and Reg E are a few of the federal regulations and rules that govern lending for all states, in addition to state laws and rules. State law requires state licensure.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

The “harm” that the regulation seeks to prevent focuses on ensuring that licensees are properly educated and licensed to mitigate any consumer harm when engaging in financial transactions with Ohio consumers. For most consumers, a mortgage represents the single largest financial transaction that they will enter into in their lifetimes. Homeownership is also a significant determining factor in overall financial well-being, as homeowners build equity and develop a significant ownership asset. The mortgage crash of 2008 provides a stark reminder of the devastating and long-lasting consumer harm, as well as overall negative macroeconomic impact, that can occur from a loosely regulated mortgage market.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Overall, the regulation has been effective, and there are no less restrictive ways to prevent the harm.

Are there any changes the Division would like to see implemented?

Exempt servicing regulation rules from the requirements from the 2-1 requirement in SB 9. Adopt prudential standards for nonbank mortgage servicers

Surrounding state comparison for mortgage broker (LSC)

Mortgage Broker Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 1322.07(A)</i>).	License (<i>Ind. Code 23-2.5-1-14 and 23-2.5-3-1</i>).	License (<i>Ky. Rev. Stat. 286.8-030</i>).	<p>Four licenses and registrations:</p> <ul style="list-style-type: none"> ▪ First mortgage broker license; ▪ First mortgage broker registration; ▪ Second mortgage broker license; ▪ Second mortgage broker registration. <p>Mortgage broker licenses and registrations may be combined with mortgage lender and mortgage servicer licenses and registrations.</p>	License (<i>7 Pa. Cons. Stat. 6111</i>).	License (<i>W. Va. Code 31-17-2</i>).

Mortgage Broker Certificate of Registration

	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
				<i>(Mich. Comp. Laws 445.1652, 445.1656, 493.52, and 493.53a.)</i>		
Education or training	N/A	In the two years preceding the application for licensure, applicant must complete 20 hours of education acceptable to the Securities Commissioner and NMLS. Must include three hours of federal law and regulations, three hours of ethics, two hours of lending standards for nontraditional loans, and two hours of state law and rules. <i>(Ind. Code 23-2.5-4-1 and 23-2.5-6-1.)</i>	Must complete a 30-hour training course approved by the Department of Financial Institutions <i>(Ky. Rev. Stat. 286.8-032(7))</i> .	N/A	Must complete a 20-hour training course approved by NMLS. The course must include three hours on federal law, three hours on ethics, two hours on nontraditional mortgage products, and three hours on Pennsylvania law. <i>(7 Pa. Cons. Stat. 6131.1(b).)</i>	N/A

Mortgage Broker Certificate of Registration

	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Experience	Applicant must demonstrate financial responsibility, experience, and general fitness to command the confidence of the public (<i>R.C. 1322.10(A)(8)</i>).	N/A	Applicant must demonstrate financial responsibility, financial condition, business expertise, and general fitness. Managing principal must have at least two years of experience in the mortgage industry. (<i>Ky. Rev. Stat. 286.8-032(6) and 286.8-080.</i>)	First or second mortgage broker license: applicant must demonstrate experience, character, business reputation, and general fitness. Must generally have and maintain net worth of \$25,000. (<i>Mich. Comp. Laws 445.1653, 445.1654, 493.55, and 493.56.</i>) First or second mortgage broker registration: approved as a seller or servicer by the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, approved as an issuer or servicer	Applicant must possess financial responsibility, character, reputation, integrity, and general fitness (<i>7 Pa. Cons. Stat. 6133</i>).	Applicant must demonstrate financial responsibility, character, reputation, experience, and general fitness. Must have net worth of at least \$10,000. (<i>W. Va. Code 31-17-4(f) and 31-17-5(a)(2).</i>)

Mortgage Broker Certificate of Registration

	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
				by the Government National Mortgage Association, or a subsidiary or affiliate of a depository financial institution or a depository financial institution holding company that does not maintain a main office or branch in Michigan. (<i>Mich. Comp. Laws 445.1656 and 493.53a.</i>)		
Exam	Office manager must pass mortgage loan originator license exam (<i>R.C. 1322.10(A)(7) and 1322.27.</i>)	N/A	N/A	N/A	Must score at least 75% on NMLS exam and exam specific to Pennsylvania law (<i>7 Pa. Cons. Stat. 6131.1(c).</i>)	N/A

Mortgage Broker Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Continuing education	N/A	Eight hours of continuing education annually, including three hours of federal law and regulations, two hours of ethics, and two hours on nontraditional loans (<i>Ind. Code 23-2.5-6-2</i>).	N/A	N/A	Eight hours of continuing education annually, including three hours on federal law and regulations, two hours on ethics, two hours on nontraditional loans, and one hour on Pennsylvania law (<i>7 Pa. Cons. Stat. 6131.1(d)</i>).	N/A
Initial licensure fee	\$700 for each business location (<i>R.C. 1322.09(A)</i>).	\$200 plus an additional \$100 for each equitable owner (<i>Ind. Code 23-2.5-4-1</i>).	\$5,000 (<i>Ky. Rev. Stat. 286.8-034</i>).	First mortgage broker license: \$1,050. ³³ First mortgage broker	\$1,000 for the principal place of business plus an additional \$250 for each branch office. Fees subject to	\$350 license fee plus \$100 in additional NMLS fees (<i>W. Va. Code 31-17-4(f)</i>). ³⁷

³³ See page 1 of [Michigan 1st Mortgage Broker License \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Michigan,” then, in the “1st Mortgage Broker License” row of the table, “New Application.”

³⁷ See also page 1 of [West Virginia Mortgage Broker License \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “West Virginia,” then, in the “Mortgage Broker License” row of the table, “New Application.”

Mortgage Broker Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
				registration: \$600. ³⁴ Second mortgage broker license: \$1,050. ³⁵ Second mortgage broker registration: \$600. ³⁶	increase in years with fewer license applicants. (7 Pa. Cons. Stat. 6132.)	
License duration	Annual (R.C. 1322.10(C)).	Annual (Ind. Code 23-2.5-4-5).	Annual (Ky. Rev. Stat. 286.8-034).	Annual (Mich. Comp. Laws 445.1657 and 493.56a).	Annual (7 Pa. Cons. Stat. 6131(h)).	Annual (W. Va. Code 31-17-7).
Renewal fee	\$700 per office location (R.C. 1322.10(C)(1)).	\$200 plus an additional \$100 for each equitable	Based on the volume of loans originated or	\$500 for all licenses and registrations. ³⁸	\$500 for the principal place of business plus an	\$450 plus \$5 for each residential mortgage loan

³⁴ See page 1 of [Michigan 1st Mortgage Broker Registration \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Michigan,” then, in the “1st Mortgage Broker Registration” row of the table, “New Application.”

³⁵ See page 1 of [Michigan 2nd Mortgage Broker License \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Michigan,” then, in the “2nd Mortgage Broker License” row of the table, “New Application.”

³⁶ See page 1 of [Michigan 2nd Mortgage Broker Registration \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Michigan,” then, in the “2nd Mortgage Broker Registration” row of the table, “New Application.”

³⁸ See page 1 of [Schedule of Fees \(PDF\)](#), available on the Michigan Department of Insurance and Financial Institutions’ website: Michigan.gov/difs by conducting a keyword search for “Mortgage Brokers, Lenders, and Services Act Schedule of Fees”; see page 1 of [Schedule of Fees \(PDF\)](#), available

Mortgage Broker Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
		owner (<i>Ind. Code 23-2.5-4-6</i>).	serviced by the licensee. The assessment fee must not be less than \$1,500 or more than \$15,000. (<i>Ky. Rev. Stat. 286.8-034</i> .)		additional \$250 for each branch office. Fees subject to increase in years with fewer renewals. (<i>7 Pa. Cons. Stat. 6132</i> .)	brokered in the preceding year (<i>W. Va. Code 31-17-4(j) and 31-17-7</i>).

Surrounding state comparison for mortgage lender (LSC)

Mortgage Lender Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 1322.07(A)</i>).	License (<i>Ind. Code 24-4.4-2-401</i>).	License (<i>Ky. Rev. Stat. 286.8-030</i>).	Four distinct licenses and registrations: <ul style="list-style-type: none"> ▪ First mortgage broker/lender license; ▪ First mortgage 	License (<i>7 Pa. Cons. Stat. 6111</i>).	License (<i>W. Va. Code 31-17-2</i>).

on the Michigan Department of Insurance and Financial Institutions’ website: [Michigan.gov/difs](https://www.michigan.gov/difs) by conducting a keyword search for “Secondary Mortgage Loan Act Schedule of Fees.”

Mortgage Lender Certificate of Registration

	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
				broker/lender registration; <ul style="list-style-type: none"> ▪ Second mortgage broker/lender license; ▪ Second mortgage broker/lender registration. Mortgage broker/lender licenses and registrations may be combined with mortgage servicer licenses and registrations. <i>(Mich. Comp. Laws 445.1652, 445.1656, 493.52, and 493.53a.)</i>		
Education or training	N/A	N/A	N/A	N/A	Must complete a 20-hour training course approved by NMLS. The course must include three	N/A

Mortgage Lender Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
					hours on federal law, three hours on ethics, two hours on nontraditional mortgage products, and three hours on Pennsylvania law. (<i>7 Pa. Cons. Stat. 6131.1(b).</i>)	
Experience	Applicant must demonstrate financial responsibility, experience, and general fitness to command the confidence of the public (<i>R.C. 1322.10(A)(8)</i>).	Applicant must demonstrate experience, financial responsibility, character, and fitness. Must have net worth of at least \$100,000, and at least \$50,000 in liquid assets. (<i>Ind. Code 24-4.4-2-402.</i>) ³⁹	Applicant must demonstrate financial responsibility, financial stability, business expertise, and general fitness. Must have and maintain a documented funding source of at least \$1 million, a net worth	First or second mortgage broker/lender license: applicant must demonstrate experience, character, business reputation, and general fitness. Must generally have and maintain net	Applicant must demonstrate financial responsibility, character, reputation, integrity, and general fitness (<i>7 Pa. Cons. Stat. 6133</i>).	Applicant must demonstrate financial responsibility, character, reputation, experience, and general fitness. Must have and maintain net worth of at least \$250,000. (<i>W. Va. Code 31-17-4(e)</i>)

³⁹ See also page 3 of [IN-DFI Mortgage Lending License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicensingsystem.org by clicking “State Licensing,” then “Indiana,” then “Indiana Department of Financial Institutions (DFI),” then, in the “Mortgage Lending License” row of the table, “New Application.”

Mortgage Lender Certificate of Registration

	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
			greater than \$1 million, or, if the applicant does not make or purchase loans secured by residential mortgages, a net worth greater than \$100,000. <i>(Ky. Rev. Stat. 286.8-032(3) and 286.8-080).</i>	worth of \$25,000. <i>(Mich. Comp. Laws 445.1653, 445.1654, 493.55, and 493.56.)</i> First or second mortgage broker registration: approved as a seller or servicer by the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, approved as an issuer or servicer by the Government National Mortgage Association, or a subsidiary or affiliate of a depository financial institution or a depository		<i>and 31-17-5(a)(2).)</i>

Mortgage Lender Certificate of Registration

	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
				financial institution holding company that does not maintain a main office or branch in Michigan. (<i>Mich. Comp. Laws 445.1656 and 493.53a.</i>)		
Exam	Office manager must pass NMLS mortgage loan originator license exam (<i>R.C. 1322.10(A)(7) and 1322.27</i>).	N/A	N/A	N/A	Must score at least 75% on NMLS exam and exam specific to Pennsylvania law (<i>7 Pa. Cons. Stat. 6131.1(c)</i>).	N/A
Continuing education	N/A	N/A	N/A	N/A	Eight hours of continuing education annually, including three hours on federal law and regulations, two hours on ethics, two hours on nontraditional loans, and one	N/A

Mortgage Lender Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
					hour on Pennsylvania law (7 Pa. Cons. Stat. 6131.1(d)).	
Initial licensure fee	\$700 for each business location (R.C. 1322.09(A)).	\$1,000 application fee, \$100 NMLS processing fee, and \$36.25 for FBI criminal background check. ⁴⁰	\$5,000 (Ky. Rev. Stat. 286.8-034).	First mortgage broker/lender license: \$1,300. ⁴¹ First mortgage broker/lender registration: \$850. ⁴² Second mortgage broker/lender license: \$1,300. ⁴³	\$1,500 for the principal place of business plus an additional \$1,500 for each branch office. Fees subject to increase in years with fewer license applicants. (7 Pa. Cons. Stat. 6132.)	\$1,250 license fee plus \$100 in additional NMLS fees (W. Va. Code 31-17-4(e)). ⁴⁵

⁴⁰ See page 3 of [IN-DFI Mortgage Lending License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Indiana,” then “Indiana Department of Financial Institutions (DFI),” then, in the “Mortgage Lending License” row of the table, “New Application.”

⁴¹ See page 1 of [Michigan 1st Mortgage Broker/Lender License \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Michigan,” then, in the “1st Mortgage Broker/Lender License” row of the table, “New Application.”

⁴² See page 1 of [Michigan 1st Mortgage Broker/Lender Registration \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Michigan,” then, in the “1st Mortgage Broker/Lender Registration” row of the table, “New Application.”

⁴³ See page 1 of [Michigan 2nd Mortgage Broker/Lender License \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Michigan,” then, in the “2nd Mortgage Broker/Lender License” row of the table, “New Application.”

⁴⁵ See also page 1 of [West Virginia Mortgage Lender License \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “West Virginia,” then, in the “Mortgage Lender License” row of the table, “New Application.”

Mortgage Lender Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
				Second mortgage broker/lender registration: \$850. ⁴⁴		
License duration	Annual (<i>R.C. 1322.10(C)</i>).	Annual (<i>Ind. Code 24-4.4-2-403</i>).	Annual (<i>Ky. Rev. Stat. 286.8-034</i>).	Annual (<i>Mich. Comp. Laws 445.1657 and 493.56a</i>).	Annual (<i>7 Pa. Cons. Stat. 6131(h)</i>).	Annual (<i>W. Va. Code 31-17-7</i>).
Renewal fee	\$700 per office location (<i>R.C. 1322.10(C)(1)</i>).	\$1,000. ⁴⁶	Based on the volume of loans originated or serviced by the licensee. The assessment fee must not be less than \$1,500, or more than	\$750 for all licenses and registrations. ⁴⁷	\$750 for the principal place of business plus an additional \$750 for each branch office. Fees subject to increase in years with fewer	\$1,350 plus \$5 for each residential mortgage loan in the preceding year (<i>W. Va. Code 31-17-4(j) and 31-17-7</i>).

⁴⁴ See page 1 of [Michigan 2nd Mortgage Broker/Lender Registration \(PDF\)](#), available on NMLS's website: mortgage.nationwidelicensingsystem.org by clicking "State Licensing," then "Michigan," then, in the "2nd Mortgage Broker/Lender Registration" row of the table, "New Application."

⁴⁶ See page 3 of [IN-DFI Mortgage Lending License New Application Checklist \(PDF\)](#), available on NMLS's website: mortgage.nationwidelicensingsystem.org by clicking "State Licensing," then "Indiana," then "Indiana Department of Financial Institutions (DFI)," then, in the "Mortgage Lending License" row of the table, "New Application."

⁴⁷ See page 1 of [Schedule of Fees \(PDF\)](#), available on the Michigan Department of Insurance and Financial Institutions' website: Michigan.gov/difs by conducting a keyword search for "Mortgage Brokers, Lenders, and Services Act Schedule of Fees"; see page 1 of [Schedule of Fees \(PDF\)](#), available on the Michigan Department of Insurance and Financial Institutions' website: Michigan.gov/difs by conducting a keyword search for "Secondary Mortgage Loan Act Schedule of Fees."

Mortgage Lender Certificate of Registration						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
			\$15,000. (<i>Ky. Rev. Stat. 286.8-034.</i>)		renewals. (<i>7 Pa. Cons. Stat. 6132.</i>)	

Mortgage loan originator

Survey responses (COM)

Description
Requires an individual acting as a mortgage loan originator to hold a license.
Type (<i>License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.</i>)
License

If the regulation is a registration, certification, or license requirement, please complete the following:	
Number issued annually	7,351 granted in 2021
Number renewed annually	18,157 in the most recent renewal period
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	Yes; 13,258 licenses as of June 30, 2018; 23,996 licenses as of June 30, 2022
Education or training requirements	Applicants must complete 24 hours of education approved by and through the Nationwide Multistate Licensing System & Registry (NMLS). This includes 3 hours of Federal law, 3 hours of ethics, 2 hours of non-traditional mortgage lending, 12 hours of electives, and 4 hours of Ohio specific law.
Experience requirements	No
Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)	Per statute, examinations are administered by independent testing facilities through NMLS. Examinations are specifically proctored tests with an individual person. Fees are charged by the testing facility. The Division does not receive any monies.
Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)	Applicants must complete 8 hours of NMLS approved continuing education annually. This includes 3 hours of Federal law, 2 hours of ethics, 2 hours of nontraditional mortgage and 1 hour of elective content.
Initial fee	License fee of \$200. Applicants also are required to pay a charge in order to access and use NMLS. The Division does not set these charges, has no control over them, and does not receive

If the regulation is a registration, certification, or license requirement, please complete the following:	
	any portion of them. As of July 1, 2022, the charges are \$100 for companies, \$20 for branches, \$30 for individuals.
Duration	Annual/1 year
Renewal fee <i>(If different from initial fee, please explain why.)</i>	License fee of \$200 + NMLS fee
Does the Division recognize uniform licensure requirements or allow for reciprocity?	The Division utilizes NMLS, which standardizes certain aspects of the licensing process. New applicants that are licensed in another state may apply for temporary authority in Ohio, which allows them to work in the state until their license application is approved. In certain circumstances, education courses can satisfy the requirements for multiple states simultaneously.
Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?	No
Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?	Individuals employed by federal or state-chartered bank
Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?	Yes
Other information <i>(Significant attributes or prerequisites to licensure not addressed in this chart.)</i>	Applicants must undergo a criminal and civil background check. An applicant's financial responsibility and general fitness must command the confidence of the public and warrant the belief he/she will operate honestly and fairly in compliance with Ohio law. Applicant must be employed by or associated with a company holding a certificate of registration or letter of

If the regulation is a registration, certification, or license requirement, please complete the following:

exemption (and cannot be employed by or associated with more than one) and covered by that entity's surety bond. Applicant has not had his/her license revoked by another state or been convicted of a disqualifying offense in accordance with R.C. 9.79

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

The Division has the authority to investigate applicants, licensees, and any individuals suspected of engaging in the licensed activity, including through the issuance of subpoenas. The Division has the authority, through the Chapter 119 administrative process, to deny a license application; refuse to renew, suspend, or revoke a license; issue cease and desist orders; and impose civil fines. Additionally, the Division has the authority to file civil lawsuits to enjoin violations and for civil penalties.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$5,455,930 and is used to fund the operations of the Consumer Finance Unit.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

Yes, the SAFE Act set the minimum requirements for licensure as an MLO. This law requires each state to regulate the occupation.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

The “harm” that the regulation seeks to prevent focuses on ensuring that licensees are properly educated and licensed to mitigate any consumer harm when engaging in financial transactions with Ohio consumers. For most consumers, a mortgage represents the single largest financial transaction that they will enter into in their lifetimes. Homeownership is also a significant determining factor in overall financial well-being, as homeowners build equity and develop a significant ownership asset. The mortgage crash of 2008 provides a stark reminder of the devastating and long-lasting consumer harm, as well as overall negative macroeconomic impact, that can occur from a loosely regulated mortgage market.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Overall, the regulation has been effective, and there are no less restrictive ways to prevent the harm.

Are there any changes the Division would like to see implemented?

No

Surrounding state comparison (LSC)

Mortgage Loan Originator License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 1322.07(B)</i>).	License (<i>750 Ind. Admin. Code 9-3-1</i>). ⁴⁸	License (<i>Ky. Rev. Stat. 286.8-255</i>).	License (<i>Mich. Comp. Laws 493.135</i>).	License (<i>7 Pa. Cons. Stat. 6111</i>).	License (<i>W. Va. Code 31-17A-3</i>).
Education or training	20 hours of instruction in an NMLS-approved education course and four hours of instruction in an Ohio course. Reciprocity available for person who	20 hours of instruction in an approved education course, including three hours on federal law, three hours on ethics, and two hours on nontraditional	20 hours of instruction in an approved education course (<i>Ky. Rev. Stat. 286.8-255</i>).	20 hours of instruction in an approved education course, including three hours on federal law, three hours on ethics, and two hours on nontraditional	20-hour training course approved by NMLS. The course must include three hours on federal law, three hours on ethics, two hours on nontraditional	24 hours of instruction approved by NMLS or the West Virginia Division of Financial Institutions, including three hours on federal law, three hours

⁴⁸ See page 2 of [IN-SOS Loan Originator License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicensingsystem.org by clicking “State Licensing,” then “Indiana,” then “Indiana Secretary of State (SOS),” then, in the “Mortgage Loan Originator” row of the table, “New Application.”

Mortgage Loan Originator License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
	completed a similar course of study in another NMLS state. (<i>R.C. 1322.20(B)(1) and (3).</i>)	mortgage products (<i>750 Ind. Admin. Code 9-3-5</i>).		mortgage products (<i>Mich. Comp. Laws 493.141</i>).	mortgage products, and three hours on Pennsylvania law. (<i>7 Pa. Cons. Stat. 6131.1(b).</i>)	on ethics, two hours on nontraditional mortgage products, and four hours on West Virginia law (<i>W. Va. Code 31-17A-6</i>).
Experience	Applicant must demonstrate financial responsibility and general fitness to command the confidence of the public (<i>R.C. 1322.21(A)(5)</i>).	Applicant must demonstrate experience, financial responsibility, character, and fitness to warrant belief that the applicant will operate honestly and fairly (<i>750 Ind. Admin. Code 9-3-2</i>).	N/A	Applicant must demonstrate financial responsibility, character, and general fitness (<i>Mich. Comp. Laws 493.139(1)(d)</i>).	Applicant must demonstrate financial responsibility, character, reputation, integrity, and general fitness (<i>7 Pa. Cons. Stat. 6133</i>).	Applicant must demonstrate financial responsibility, character, and general fitness (<i>W. Va. Code 31-17A-5</i>).

Mortgage Loan Originator License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Exam	Score of 75% or more on the NMLS exam for mortgage loan originators (<i>R.C. 1322.27</i>).	Score of 75% or more on the NMLS exam for mortgage loan originators (<i>750 Ind. Admin. Code 9-3-6</i>).	Must pass NMLS exam for mortgage loan originators. ⁴⁹	Score of 75% or more on the NMLS exam for mortgage loan originators (<i>Mich. Comp. Laws 493.143</i>).	Must score at least 75% on NMLS exam and exam specific to Pennsylvania law (<i>7 Pa. Cons. Stat. 6131.1(c)</i>).	Must pass NMLS exam for mortgage loan originators (<i>W. Va. Code 31-17A-7</i>).
Continuing education	Eight hours annually, including three hours on federal law, two hours on ethics, and two hours related to lending standards for nonqualified mortgages or the nontraditional mortgage product marketplace (<i>R.C. 1322.28(A)</i>).	Eight hours annually, including three hours on federal law, two hours related to lending standards for nontraditional mortgage products, and two hours of ethics (<i>Ind. Code 23-2.5-6-2</i>).	Eight hours annually, including one hour on predatory lending (<i>Ky. Rev. Stat. 286.8-255, 286.8-260, and 360.100</i>).	Eight hours annually, including three hours on federal law, two hours on ethics, and two hours on nontraditional mortgage products (<i>Mich. Comp. Laws 493.147</i>).	Eight hours of continuing education annually, including three hours on federal law and regulations, two hours on ethics, two hours on nontraditional loans, and one hour on Pennsylvania law (<i>7 Pa. Cons. Stat. 6131.1(d)</i>).	Nine hours annually, including three hours on federal law, two hours on ethics, two hours on nontraditional mortgage products, and two hours on West Virginia law (<i>W. Va. Code 31-17A-9</i>).

⁴⁹ See page 3 of [KY Loan Originator License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Kentucky,” then, in the “Loan Originator License” row of the table, “New Application.”

Mortgage Loan Originator License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Initial licensure fee	\$200 plus actual expenses of the Superintendent of Financial Institutions in conducting background investigation (<i>R.C. 1322.20(A) and (D)</i>).	\$50 application fee, \$30 NMLS processing fee, \$15 for credit report, and \$36.25 for an FBI criminal background check. ⁵⁰	\$50 application fee, \$30 NMLS processing fee, \$15 for credit report, and \$36.25 for an FBI criminal background check (<i>Ky. Rev. Stat. 286.8-255</i>). ⁵¹	\$50 operating fee (increases to \$75 in 2023), \$30 NMLS processing fee, \$15 for credit report, and \$36.25 for an FBI background check. ⁵²	\$200, but fee subject to increase in years with fewer license applicants (<i>7 Pa. Cons. Stat. 6132</i>).	\$230 plus additional fees for credit report and FBI criminal background check (<i>W. Va. Code 31-17A-4</i>). ⁵³
License duration	Annual (<i>R.C. 1322.21(B)</i>).	Annual (<i>Ind. Code 23-2.5-4-5</i>).	Annual (<i>Ky. Rev. Stat. 286.8-255(5)</i>).	Annual (<i>Mich. Comp. Laws 493.145</i>).	Annual (<i>7 Pa. Cons. Stat. 6131(h)</i>).	Annual (<i>W. Va. Code 31-17A-8</i>).

⁵⁰ See page 2 of [IN-SOS Loan Originator License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Indiana,” then “Indiana Secretary of State (SOS),” then, in the “Mortgage Loan Originator” row of the table, “New Application.”

⁵¹ See page 3 of [KY Loan Originator License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Kentucky,” then, in the “Loan Originator License” row of the table, “New Application.”

⁵² See page 3 of [MI Mortgage Loan Originator License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Michigan,” then, in the “Mortgage Loan Originator License” row of the table, “New Application.”

⁵³ See also page 1 of [West Virginia Mortgage Loan Originator License \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “West Virginia,” then, in the “Mortgage Loan Originator License” row of the table, “New Application.”

Mortgage Loan Originator License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Renewal fee	\$200 (<i>R.C. 1322.21(B)(1)</i>).	\$50 (<i>Ind. Code 23-2.5-4-6</i>).	\$50 (<i>Ky. Rev. Stat. 286.8-255(4)</i>).	\$75 beginning in 2023. ⁵⁴	\$100, but fee subject to increase in years with fewer renewals (<i>7 Pa. Cons. Stat. 6132</i>).	\$230. ⁵⁵

Pawnbroker

Survey responses (COM)

Description
Requires a person engaged in the business of lending money on deposit or pledge of personal property, other than those enumerated in the statute, to obtain a license. Requires a pawnbroker to maintain records and provide information regarding those records to law enforcement.

⁵⁴ See page 1 of [Schedule of Fees \(PDF\)](#), available on the Michigan Department of Insurance and Financial Institutions’ website: Michigan.gov/difs by conducting a keyword search for “Mortgage Loan Originator Act Schedule of Fees.”

⁵⁵ See also page 1 of [West Virginia Mortgage Loan Originator License \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “West Virginia,” then, in the “Mortgage Loan Originator License” row of the table, “New Application.”

Type (License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.)

License

If the regulation is a registration, certification, or license requirement, please complete the following:

Number issued annually	4 in 2021
Number renewed annually	197 in the most recent renewal period
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	Yes; 302 licenses as of June 30, 2018; 223 licenses as of June 30, 2022
Education or training requirements	Generalized requirement that the applicant must demonstrate “sufficient financial responsibility and experience in the pawnbroker business, or in a related business, to act as a pawnbroker in compliance with” Ohio law. To satisfy this requirement, an applicant must be able to demonstrate a “thorough working knowledge of all pawnbroker laws and rules as they relate to the actual operation of a pawnshop.”
Experience requirements	See “Education or training requirements”

If the regulation is a registration, certification, or license requirement, please complete the following:

<p>Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)</p>	<p>Examinations are developed and administered by the Division. There is no fee.</p>
<p>Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)</p>	<p>At least one employee must complete at least 8 hours of continuing education every two years, through courses or programs approved by the Division.</p>
<p>Initial fee</p>	<p>\$200 investigation fee + license fee of \$600 (or \$300 for applications received between January 1 and June 30 of even-numbered years)</p>
<p>Duration</p>	<p>Biennial/2 years</p>
<p>Renewal fee (<i>If different from initial fee, please explain why.</i>)</p>	<p>License fee of \$600</p>
<p>Does the Division recognize uniform licensure requirements or allow for reciprocity?</p>	<p>No</p>
<p>Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?</p>	<p>No</p>

If the regulation is a registration, certification, or license requirement, please complete the following:

<p>Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?</p>	<p>Scrap yards, coin dealers, consignment shops, and resale/second-hand shops may be subject to local ordinances and not required to be licensed by the Division.</p>
<p>Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?</p>	<p>Yes</p>
<p>Other information (<i>Significant attributes or prerequisites to licensure not addressed in this chart.</i>)</p>	<p>Applicant and all owners, managers, directors, officers, and employees must undergo a criminal background check. Applicant must have liquid assets of at least \$125,000 at the time of initial application and demonstrate the ability to maintain at least \$75,000 in liquid assets at all times. Applicants must maintain a surety bond of at least \$50,000.</p>

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

The Division has the authority to investigate applicants, licensees, and any individuals/entities suspected of engaging in the licensed activity, including through the issuance of subpoenas. The Division must examine the records of a licensee at least once every 18 months. Licensees are required to keep records. The Division has the authority, through the Chapter 119 administrative process, to deny a license application; refuse to renew, suspend, or revoke a license; and impose civil fines.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$30,000 and is used to fund the operations of the Consumer Finance Unit.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

TILA, FDCPA, MLA, SCRA and Reg E are a few of the federal regulations and rules that govern lending for all states, in addition to state laws and rules. State law requires state licensure.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

The “harm” that the regulation seeks to prevent focuses on ensuring that licensees are properly educated and licensed to mitigate any consumer harm when engaging in financial transactions with Ohio consumers. The regulation also assists law enforcement and helps to control the purchase and sale of stolen goods.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Overall, the regulation has been effective, and there are no less restrictive ways to prevent the harm.

Are there any changes the Division would like to see implemented?

Change to annual renewal and license fee of \$300; update late renewal timeframe to one month.

Surrounding state comparison (LSC)

Pawnbroker License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 4727.02</i>).	License (<i>Ind. Code 28-7-5-3</i>).	Surety bond and process regulations only (<i>Ky. Rev. Stat. 226.010, et seq.</i>).	Local registration required by state law (<i>Mich. Comp. Laws 446.201</i>).	License (<i>63 Pa. Stat. 281-3</i>).	Process regulations only (<i>W. Va. Code 47-26-1, et seq.</i>).
Education or training	N/A	N/A	N/A	N/A	N/A	N/A

Pawnbroker License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Experience	Applicant must demonstrate sufficient financial responsibility and experience in the pawnbroker business or in a related business. Must have at least \$125,000 in liquid assets at time of initial licensure and maintain at least \$75,000 in liquid asset for the duration of the license. (R.C. 4727.03(A).)	All managers must have at least two years of finance related experience. For each location, must have a net worth of \$75,000 and at least \$50,000 in liquid assets. ⁵⁶	N/A	N/A	Applicant must demonstrate financial responsibility, experience, character, and general fitness. Must have at least \$10,000 in start-up capital for each office location. (63 Pa. Stat. 281-8(a); 10 Pa. Code 61.2.)	N/A
Exam	N/A	N/A	N/A	N/A	N/A	N/A
Continuing education	At least one person employed by a licensed pawnbroker must complete eight hours of	N/A	N/A	N/A	N/A	N/A

⁵⁶ See page 1 of [To Applicants for a Pawnbroking License \(PDF\)](#), which is available on the Indiana Department of Financial Institutions' website: in.gov/dfi/ by clicking "Licensing and Applications," then "Consumer Credit Licensing," then "Pawnbroker License."

Pawnbroker License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
	continuing education every two years (<i>R.C. 4727.19</i>).					
Initial licensure fee	\$200 investigation fee plus a license fee not to exceed \$600 (<i>R.C. 4727.03(B) and (D) and 1321.20(B)(2)</i>).	\$1,000 plus \$500 for each additional location. ⁵⁷	N/A	Set by local government. Not less than \$50, not more than \$500. (<i>Mich. Comp. Laws 446.202.</i>)	\$500. ⁵⁸	N/A
License duration	Two years (<i>R.C. 4727.03(E)(2)</i>).	Annual (<i>Ind. Code 28-7-5-11</i>).	N/A	Annual (<i>Mich. Comp. Laws 446.202(3)</i>).	Annual (<i>63 Pa. Stat. 281-6</i>).	N/A
Renewal fee	Equal to license fee, not to exceed \$600 (<i>R.C. 4727.03(F) and 1321.20(B)(2)</i>).	\$1,000 plus \$500 for each	N/A	Set by local government. Not less than \$50, not more than \$500.	\$500. ⁶⁰	N/A

⁵⁷ See page 1 of [To Applicants for a Pawnbroking License \(PDF\)](#), which is available on the Indiana Department of Financial Institutions' website: in.gov/dfi/ by clicking "Licensing and Applications," then "Consumer Credit Licensing," then "Pawnbroker License."

⁵⁸ See page 1 of [Pennsylvania Pawnbroker License \(PDF\)](#), which is available on NMLS's website: mortgage.nationwidelicencingsystem.org by clicking "State Licensing," then "Pennsylvania," then, in the "Pawnbroker License" row of the table, "New Application."

⁶⁰ See page 1 of [Pennsylvania Pawnbroker License \(PDF\)](#), which is available on NMLS's website: mortgage.nationwidelicencingsystem.org by clicking "State Licensing," then "Pennsylvania," then, in the "Pawnbroker License" row of the table, "New Application."

Pawnbroker License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
		additional location. ⁵⁹		<i>(Mich. Comp. Laws 446.202.)</i>		

Money transmitter

Survey responses (COM)

Description
<p>The law prohibits any person (in effect, any company) from engaging in the business of money transmission without a license. Money transmission means to receive money or its equivalent from a person in Ohio, and to deliver, pay, or make accessible that money or its equivalent to another person, at the same or another time, and at the same or another place. The transmission of cryptocurrency, as a monetary equivalent, is licensable. Governmental entities, the USPS, payroll processors, banks, and credit unions are exempt from licensure. Licensed securities, insurance, mortgage, and real estate brokers are also exempt.</p>
Type <i>(License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.)</i>
<p>License</p>

⁵⁹ See page 1 of [To Applicants for a Pawnbroking License \(PDF\)](#), which is available on the Indiana Department of Financial Institutions' website: in.gov/dfi/ by clicking "Licensing and Applications," then "Consumer Credit Licensing," then "Pawnbroker License."

If the regulation is a registration, certification, or license requirement, please complete the following:	
Number issued annually	19 issued in 2021
Number renewed annually	N/A Once a license is issued, it is perpetual and does not need to be renewed every year.
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	Yes; 113 licenses as of June 30, 2018; 172 licenses as of June 30, 2022
Education or training requirements	N/A
Experience requirements	N/A
Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)	N/A
Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)	N/A
Initial fee	\$5,000. Applicants also are required to pay a charge in order to access and use NMLS (see below). The Division does not set these charges, has no control over them, and does not receive any portion of them. As of July 1, 2022, the charges are \$100 for companies.

If the regulation is a registration, certification, or license requirement, please complete the following:	
Duration	Perpetual
Renewal fee <i>(If different from initial fee, please explain why.)</i>	NMLS fee. Licensees also pay an annual assessment to support the money transmitter operations of the Division. The assessment is calculated on a sliding scale, based on each company's Ohio volume of business.
Does the Division recognize uniform licensure requirements or allow for reciprocity?	<p>The Division utilize the Nationwide Multistate Licensing System & Registry (NMLS), which standardizes certain aspects of the licensing process. The Division also participates in a voluntary licensing consortium of 32 states, as a signatory to the "MSB Multistate Licensing Agreement" or MMLA. As such, the Division chooses to accept a basic licensing review performed by another MMLA state based on agreed-upon parameters and protocols. The Division then performs a secondary review of the application based on specific Ohio law requirements before making a licensing decision.</p> <p>There is no reciprocal licensing requirement or agreement.</p>
Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?	No
Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?	Yes. R.C. 1315.02 (A) (11) permits the Superintendent to exempt any person from licensure if he or she determines it would not serve the intended purposes of the regulation.
Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?	Yes. R.C. 1315.04(D) permits the Superintendent to impose any condition the superintendent determines to be appropriate when approving an application.

If the regulation is a registration, certification, or license requirement, please complete the following:

Other information (*Significant attributes or prerequisites to licensure not addressed in this chart.*)

The Superintendent must consider the corporate applicant’s financial condition; business practices; and the competence, experience, and history of compliance of the directors, officers, and control persons. These individuals must pass a criminal background check and a credit check. Applicant also must have a minimum net worth of \$500,000 and maintain a security device of up to \$2 million. Applicants for licensure must be legally established business entities that are capitalized separately and distinctly from every other legal entity and are qualified to do business in Ohio.

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

Prior to licensure, the Division may conduct an on-site examination of the applicant’s books, records, and operations. New licensees receive an examination within the first two years and then at least once every five years thereafter. Examinations are conducted by a team of examiners and last 2- 3 weeks. The Division has the authority to investigate applicants, licensees, and any individuals/entities suspected of engaging in the licensed activity, including through the issuance of subpoenas. Licensees are required to file separate annual and quarterly reports. The Division has the authority to deny a license application, suspend or revoke a license, and issue enforcement orders that are subject to the Chapter 119 process. Additionally, the Division has the authority file civil lawsuits to enjoin violations of law.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$1,495,550 and is used to fund the operations of the Money Transmitter Section.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

Anti-money laundering rules under the Bank Secrecy Act (BSA / AML) apply to money transmission. By agreement with the IRS and Federal Department of Treasury, state agencies such as the Division do examine for and regulate licensees for these operations. No federal agency examines these companies for compliance with BSA / AML rules.

Receipt and fee disclosure rules promulgated by the CFPB apply to the occupation. The CFPB reviews for compliance but only on a very limited basis. The Division monitors for compliance with this when we conduct exams.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

The money transmitter licensing and examination program protects consumers by ensuring the safe and sound operation of companies that transmit money from the consumer to a designated third party. It requires the licensees maintain secure and solid investments to offset their transmission liabilities.

Consumers are also entitled to receive receipts and have full disclosure of the fees they are paying to transmit money, which provides accountability and transparency to the consumer.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Yes. The Division ensures compliance with BSA / AML receipt requirements, and monitors licensees for safe and sound operation. The Division is able to meet best practices for money transmitter regulation and operates in a similar fashion to most other states in this area.

Are there any changes the Division would like to see implemented?

A MSB Model Law has been developed that, if adopted in Ohio, would bring many benefits to both Ohio consumers and the companies that operate in Ohio. The model law was developed by a team of state regulators working together with a group of industry representatives.

Surrounding state comparison (LSC)

Money Transmitter License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 1315.01 to 1315.99</i>).	License (<i>Ind. Code 28-8-4-20</i>).	License (<i>Ky. Rev. Stat. 286.11-005</i>).	License (<i>Mich. Comp. Laws 487.1011(1)</i>).	License (<i>7 Pa. Stat. 6102</i>).	License (<i>W. Va. Code 32A-2-2</i>).
Education or training	N/A	N/A	N/A	N/A	N/A	N/A
Experience	Applicant must be a legally established business entity that is capitalized separately and distinctly from every other legal entity and is qualified to do business in this	Applicant must have a net worth of at least \$600,000 (<i>Ind. Code 28-8-4-24(12) and 28-8-4-27</i>).	Applicant must have and maintain net worth of at least \$500,000 (<i>Ky. Rev. Stat. 286.11-011</i>).	Applicant must demonstrate responsibility, financial and business experience, character, and general fitness. Must have and maintain net worth exceeding	Applicant must undertake and operate business honestly, fairly, and in accordance with state law. Must also demonstrate financial responsibility, character,	Applicant must demonstrate adequate financial condition, business experience, character, and general fitness. Must have and maintain net worth of at least

Money Transmitter License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
	state. Applicant must have a minimum net worth of \$500,000. (<i>R.C. 1315.04(C).</i>)			\$100,000 or, if the applicant intends to conduct business at more than one location, the lesser of \$1 million or \$100,000 plus \$25,000 for each such location. (<i>Mich. Comp. Laws 487.1013 and 487.1014.</i>)	reputation, integrity, and general fitness. Must have net worth of at least \$500,000. (<i>7 Pa. Stat. 6104.</i>)	\$100,000, or 3% of first \$100 million in total assets, 2% of assets between \$100 million and \$1 billion, and 0.5% of assets in excess of \$1 billion, whichever is greater. Maximum required net worth is \$1 million. (<i>W. Va. Code 32A-2-8.</i>)
Exam	N/A	N/A	N/A	N/A	N/A	N/A
Continuing education	N/A	N/A	N/A	N/A	N/A	N/A
Initial licensure fee	\$5,000. ⁶¹	\$1,000 application fee, \$36.25 fee for FBI criminal background check, and \$0.25	\$500 application fee plus \$500 license fee (<i>Ky. Rev. Stat. 286.11-017</i>).	\$3,000 base fee, \$50 fee for each location (\$3,000 maximum), and	\$5,000 (<i>7 Pa. Stat. 6106</i>).	\$1,000 plus \$20 for each business location. Total fee not to exceed

⁶¹ See also page 3 of [OH Money Transmitter License New Application Checklist \(PDF\)](#), available on NMLS's website: mortgage.nationwidelicensingsystem.org by clicking "State Licensing," then "Ohio," then, in the "Money Transmitter License" row of the table, "New Application."

Money Transmitter License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
		NMLS processing fee. ⁶²		\$600 investigation fee. ⁶³		\$25,000. (<i>W. Va. Code 32A-2-5.</i>)
License duration	Annual (<i>R.C. 1315.04(E).</i>)	Annual (<i>Ind. Code 28-8-4-37.</i>)	Annual (<i>Ky. Rev. Stat. 286.11-021.</i>)	Annual (<i>Mich. Comp. Laws 487.1015.</i>)	Annual (<i>7 Pa. Stat. 6108.</i>)	Annual (<i>W. Va. Code 32A-2-4(e).</i>)
Renewal fee	\$5,000. ⁶⁴	\$1,000 application fee plus \$0.25 NMLS processing fee. ⁶⁵	\$500 (<i>Ky. Rev. Stat. 286.11-021.</i>)	Based on business volume and number of locations (<i>Mich. Comp. Laws 487.1015.</i>)	\$5,000 (<i>7 Pa. Stat. 6109.</i>)	\$250 plus \$5 for each business location plus \$0.001 for every dollar serviced in the preceding year. Total fee not to exceed \$25,000. (<i>W. Va. Code 32A-2-5.</i>)

⁶² See also page 3 of [IN-DFI Money Transmitter License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Indiana,” then “Indiana Department of Financial Institutions (DFI),” then, in the “Money Transmitter License” row of the table, “New Application.”

⁶³ See also page 1 of [Schedule of Fees \(PDF\)](#), available on the Michigan Department of Insurance and Financial Institutions’ website: Michigan.gov/difs by conducting a keyword search for “Money Transmission Services Act Schedule of Fees.”

⁶⁴ See also page 3 of [OH Money Transmitter License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Ohio,” then, in the “Money Transmitter License” row of the table, “New Application.”

⁶⁵ See also page 3 of [IN-DFI Money Transmitter License New Application Checklist \(PDF\)](#), available on NMLS’s website: mortgage.nationwidelicencingsystem.org by clicking “State Licensing,” then “Indiana,” then “Indiana Department of Financial Institutions (DFI),” then, in the “Money Transmitter License” row of the table, “New Application.”

Precious metals dealer

Survey responses (COM)

Description	
<p>This license is required for any entity or person engaged in the business of purchasing articles made of or containing gold, silver, platinum, or other precious metals or jewels of any description if, in any manner, including any form of advertisement or solicitation of customers, the person holds himself, herself, or itself out to the public as willing to purchase such articles pursuant to Ohio Revised Code 4728.01 to 4728.14, 4728.99, 1321.20 and 1321.21 and Ohio Administrative Code Chapter 1301:8-6.</p>	
Type <i>(License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.)</i>	
License	
If the regulation is a registration, certification, or license requirement, please complete the following:	
Number issued annually	3 in 2021
Number renewed annually	73 (main and branches) in the most recent renewal period

If the regulation is a registration, certification, or license requirement, please complete the following:	
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	Yes; 111 licenses as of June 30, 2018; 78 licenses as of June 30, 2022
Education or training requirements	Generalized requirement that the applicant must demonstrate sufficient “financial responsibility and experience in business of precious metals dealers, or in a related business, to act as a precious metals dealer in compliance with” Ohio law.
Experience requirements	See “Education or training requirements”
Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)	N/A
Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)	N/A
Initial fee	\$200 investigation fee + \$300 license fee (or \$150.00 for applications submitted after July 1). Applicants also are required to pay a charge in order to access and use NMLS (see below). The Division does not set these charges, has no control over them, and does not receive any portion of them. As of July 1, 2022, the charges are \$100 for companies, \$20 for branches, \$30 for individuals.
Duration	Annual/1 year

If the regulation is a registration, certification, or license requirement, please complete the following:	
Renewal fee <i>(If different from initial fee, please explain why.)</i>	License fee of \$300 + NMLS fee
Does the Division recognize uniform licensure requirements or allow for reciprocity?	The Division does utilize the Nationwide Multistate Licensing System & Registry (NMLS), which standardizes certain aspects of the licensing process. However, the Division does not recognize any uniform, substantive requirements due to state-specific laws and rules. No reciprocity.
Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?	No
Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?	Retail jewelry establishments may be exempt from licensure if the purchases of precious metals fall under a certain threshold percentage. Scrap yards, coin dealers, consignment shops, and resale/second-hand shops may be subject to local ordinances and not required to be licensed by the Division.
Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?	Yes
Other information <i>(Significant attributes or prerequisites to licensure not addressed in this chart.)</i>	Applicant must either maintain a net worth or obtain a surety bond of at least \$10,000. Applicants must undergo a criminal background check.

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

The Division has the authority to investigate applicants, licensees, and any individuals/entities suspected of engaging in the licensed activity, including through the issuance of subpoenas. The Division has the authority to conduct examinations. Licensees are required to keep records. The Division has the authority, through the Chapter 119 administrative process, to deny a license application; refuse to renew, suspend, or revoke a license; issue cease and desist orders; and impose civil fines. Additionally, the Division has the authority to file civil lawsuits to enjoin violations.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$25,100 and is used to fund the operations of the Consumer Finance Unit.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

The FDCPA, and SCRA are a few of the federal regulations and rules that govern consumer rights for all states. State law requires state licensure.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

The “harm” that the regulation seeks to prevent focuses on ensuring that licensees are properly educated and licensed to mitigate any consumer harm when engaging in financial transactions with Ohio consumers. This is especially important in light of the valuable and unique nature of precious metals, and the likelihood that licensee interactions with Ohioans could have a substantial impact on the financial wellbeing of an individual or family. This makes it critical that the Division ensures companies and individuals are properly licensed, educated, and adhere to applicable regulations for consumer protection.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Overall, the regulation has been effective, and there are no less restrictive ways to prevent the harm.

Are there any changes the Division would like to see implemented?

Some stores and pawnbrokers are exempt from getting a license.

Surrounding state comparison (LSC)

Precious Metals Dealer License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 4728.02</i>).	Registration (<i>Ind. Code 24-4-19-13</i>).	Process regulations only (<i>Ky. Rev. Stat. 433.890 et seq.</i>).	Local registration required by state law (<i>Mich. Comp. Laws 445.483</i>).	Local license required by state law (<i>73 Pa. Stat. 1932</i>).	Process regulations only (<i>W. Va. Code 61-3-51</i>).
Education or training	N/A	N/A	N/A	N/A	N/A	N/A
Experience	Applicant must demonstrate sufficient financial responsibility and experience in the business of a precious metals dealer or a related business. Must maintain at least \$10,000 in net worth or post a surety bond. (<i>R.C. 4728.03(A) and (G)</i> .)	N/A	N/A	N/A	N/A	N/A
Exam	N/A	N/A	N/A	N/A	N/A	N/A
Continuing education	N/A	N/A	N/A	N/A	N/A	N/A

Precious Metals Dealer License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Initial licensure fee	\$200 investigation fee plus a license fee not to exceed \$300. Superintendent of Financial Institutions may increase investigation fee for out-of-state applicants based on actual expenditures. (R.C. 4728.03(C) and (F).)	\$100 for each place of business plus \$50 to each law enforcement agency in which a business is located (Ind. Code 24-4-19-13).	N/A	\$50 (Mich. Comp. Laws 445.483(4)).	No more than \$50 (73 Pa. Stat. 1932).	N/A
License duration	Annual (R.C. 4728.03(D)).	Annual (Ind. Code 24-4-19-13).	N/A	Not specified. Appears to be a one-time registration.	Annual (73 Pa. Stat. 1932).	N/A
Renewal fee	\$300. ⁶⁶	\$100 for each place of business plus \$50 to each law enforcement agency in which a	N/A	N/A	No more than \$50 (73 Pa. Stat. 1932).	N/A

⁶⁶ See page 3 of [OH Precious Metals Dealer License New Application Checklist \(PDF\)](#), available on NMLS's website: mortgage.nationwidelicencingsystem.org by clicking "State Licensing," then "Ohio," then, in the "Precious Metals Dealer License" row of the table, "New Application."

Precious Metals Dealer License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
		business is located (<i>Ind. Code 24-4-19-13</i>).				

Check-cashing business

Survey responses (COM)

Description
Requires a person that engages in the business of cashing check for a fee to obtain a license. Limits the fees that can be charged.
Type (<i>License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.</i>)
License

If the regulation is a registration, certification, or license requirement, please complete the following:	
Number issued annually	5 in 2021
Number renewed annually	209 in the most recent renewal period
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	Yes; 936 licenses as of June 30, 2018; 226 licenses as of June 30, 2022
Education or training requirements	N/A
Experience requirements	N/A
Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)	N/A
Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)	N/A
Initial fee	\$250 investigation fee + license fee of \$500 (or \$250 for applications submitted after July 1) Applicants also are required to pay a charge in order to access and use NMLS (see below). DFI does not set these charges, has no control over them, and does not receive any portion of them. As of July 1, 2022, the charges are \$100 for companies, \$20 for branches, \$30 for individuals.

If the regulation is a registration, certification, or license requirement, please complete the following:	
Duration	Annual/1 year
Renewal fee <i>(If different from initial fee, please explain why.)</i>	License fee of \$500 + NMLS fee
Does the Division recognize uniform licensure requirements or allow for reciprocity?	The Division does utilize the Nationwide Multistate Licensing System & Registry (NMLS), which standardizes certain aspects of the licensing process. However, the Division does not recognize any uniform, substantive requirements due to state-specific laws and rules. No reciprocity.
Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?	No
Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?	Companies that demonstrate less than 5% of their gross income is derived from check cashing proceeds are exempt from the licensure requirement.
Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?	Yes
Other information <i>(Significant attributes or prerequisites to licensure not addressed in this chart.)</i>	Applicants must maintain a net worth of at least \$25,000. Applicants and each director, officer, partner, and/or member must undergo a criminal background check. Applicant must not have had a check-cashing license revoked or been convicted of a disqualifying offense in accordance with R.C. 9.79.

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

The Division has the authority to investigate applicants, licensees, and any individuals/entities suspected of engaging in the licensed activity, including through the issuance of subpoenas. The Division has the authority, through the Chapter 119 administrative process, to deny a license application and refuse to renew, suspend, or revoke a license; the Division has the authority impose civil fines, but only in lieu of suspension or revocation. Additionally, the Division has the authority to file civil lawsuits to enjoin violations.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$122,065 and is used to fund the operations of the Consumer Finance Unit.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

TILA, FDCPA, MLA, SCRA and Reg E are a few of the federal regulations and rules that govern lending for all states, in addition to state laws and rules. State law requires state licensure.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

Protecting members of the general public from financial practices that the General Assembly has determined to be predatory. The “harm” that the regulation seeks to prevent focuses on ensuring that licensees are properly educated and licensed to mitigate any consumer harm when engaging in financial transactions with Ohio consumers. This is especially important given the types of individuals most likely to utilize check cashing services. This makes it critical that the Division ensures companies and individuals are properly licensed, educated, and adhere to applicable regulations for consumer protection.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Overall, the regulation has been effective, and there are no less restrictive ways to prevent the harm.

Are there any changes the Division would like to see implemented?

No

Surrounding state comparison (LSC)

Check-Cashing Business License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 1315.21 to 1315.30, 1315.99, and 1321.21; O.A.C. 1301:8-8</i>).	License (<i>Ind. Code 28-8-5-11</i>).	License (<i>Ky. Rev. Stat. 286.9-020</i>).	No clear equivalent.	License (<i>63 Pa. Stat. 2311</i>).	License (<i>W. Va. Code 32A-3-1(d) and 32A-2-2</i>).
Education or training	N/A	N/A	N/A	N/A	N/A	N/A
Experience	Applicant must demonstrate financial stability, ability, and fitness. Must have net worth of at least \$25,000. (<i>R.C. 1315.23(B)</i> .)	Applicant must demonstrate financial responsibility, business experience, character, and general fitness. Must have at least two years of finance related experience, net worth of at least \$100,000, and \$50,000 in liquid	Applicant must demonstrate financial responsibility, financial stability, business experience, character, and general fitness (<i>Ky. Rev. Stat. 286.9-040</i>).	N/A	Applicant must demonstrate financial responsibility, experience, character, and general fitness (<i>63 Pa. Stat. 2314</i>).	Applicant must demonstrate adequate financial condition, business experience, character, and general fitness. Must have and maintain net worth of at least \$100,000, or 3% of first \$100 million in total assets, 2% of assets between \$100 million and \$1 billion, and 0.5% of assets in excess of \$1

Check-Cashing Business License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
		assets. (<i>Ind. Code 28-8-5-12.</i>) ⁶⁷				billion, whichever is greater. Maximum required net worth is \$1 million. (<i>W. Va. Code 32A-2-8.</i>)
Exam	N/A	N/A	N/A	N/A	N/A	N/A
Continuing education	N/A	N/A	N/A	N/A	N/A	N/A
Initial licensure fee	\$250 investigation fee for in-state applicants, \$1,000 investigation fee for out-of-state applicants, initial license fee not to exceed \$250 (<i>R.C. 1315.22(D)</i>).	\$1,000 (<i>Ind. Code 28-8-5-11(c)</i>). ⁶⁸	\$500 (<i>Ky. Rev. Stat. 286.9-060</i>).	N/A	\$500 for each business location (<i>63 Pa. Stat. 2312</i>).	\$1,000 plus \$20 for each business location. Total fee not to exceed \$25,000. (<i>W. Va. Code 32A-2-5.</i>)
License duration	Annual (<i>R.C. 1315.22(D)</i>).	Annual (<i>Ind. Code 28-8-5-14</i>).	Annual (<i>Ky. Rev. Stat. 286.9-070</i>).	N/A	Annual (<i>63 Pa. Stat. 2312</i>).	Annual (<i>W. Va. Code 32A-2-4(e)</i>).

⁶⁷ See also page 1 of [To Applicants for a Check Cashing License \(PDF\)](#), which is available on the Indiana Department of Financial Institutions' website: in.gov/dfi/ by clicking "Licensing and Applications," then "Consumer Credit Licensing," then "Check Cashing License."

⁶⁸ See also page 1 of [To Applicants for a Check Cashing License \(PDF\)](#), which is available on the Indiana Department of Financial Institutions' website: in.gov/dfi/ by clicking "Licensing and Applications," then "Consumer Credit Licensing," then "Check Cashing License."

Check-Cashing Business License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Renewal fee	Not more than \$500 (<i>R.C. 1315.22(D)</i>).	\$500 plus \$250 for each business location. Total fee not to exceed \$2,000. (<i>Ind. Code 28-8-5-15.</i>) ⁶⁹	\$500 (<i>Ky. Rev. Stat. 286.9-060</i>).	N/A	\$350 for each business location (<i>63 Pa. Stat. 2312</i>).	\$250 plus \$5 for each business location plus \$0.001 for every dollar serviced in the preceding year. Total fee not to exceed \$25,000. (<i>W. Va. Code 32A-2-5.</i>)

Consumer installment loan license

Survey responses (COM)

Description
Prohibits person engaged in the business of lending money from operating without a license. This license is required for lending of money for terms of six months or more that is not secured by real property and that is not covered by any other Ohio loan laws.

⁶⁹ See also page 1 of [To Applicants for a Check Cashing License \(PDF\)](#), which is available on the Indiana Department of Financial Institutions' website: in.gov/dfi/ by clicking "Licensing and Applications," then "Consumer Credit Licensing," then "Check Cashing License."

Type (License, specialty license for medical reimbursement, government certification, registration, bonding or insurance, inspection, or process regulation. See R.C. 4798.01 for relevant definitions.)

License

If the regulation is a registration, certification, or license requirement, please complete the following:

Number issued annually	43 in 2021
Number renewed annually	259 in the most recent renewal period
Have there been significant increases or decreases in active registrations, certifications or licenses in the preceding six years?	Yes; 126 licenses as of June 30, 2018; 282 licenses as of June 30, 2022
Education or training requirements	N/A
Experience requirements	N/A

If the regulation is a registration, certification, or license requirement, please complete the following:

<p>Examination requirements (<i>Who administers the exam? How is the exam and administrator selected? What fees are charged? Does the Division receive any proceeds of those fees? If so, how are the proceeds used?</i>)</p>	<p>N/A</p>
<p>Continuing education requirements (<i>Including a description of the curriculum and the process of setting it.</i>)</p>	<p>N/A</p>
<p>Initial fee</p>	<p>\$200 investigation fee + license fee of \$300. Applicants also are required to pay a charge in order to access and use NMLS (see below). The Division does not set these charges, has no control over them, and does not receive any portion of them. As of July 1, 2022, the charges are \$100 for companies, \$20 for branches, \$30 for individuals.</p>
<p>Duration</p>	<p>Annual/1 year</p>
<p>Renewal fee (<i>If different from initial fee, please explain why.</i>)</p>	<p>License fee of \$300 + NMLS fee</p>
<p>Does the Division recognize uniform licensure requirements or allow for reciprocity?</p>	<p>The Division does utilize the Nationwide Multistate Licensing System & Registry (NMLS), which standardizes certain aspects of the licensing process. However, the Division does not recognize any uniform, substantive requirements due to state-specific laws and rules. No reciprocity.</p>
<p>Are there any similar national registrations, certifications, or licenses? Could they be used as a substitute for the state regulation?</p>	<p>No</p>

If the regulation is a registration, certification, or license requirement, please complete the following:

Are there any circumstances in which an individual may practice elements of the occupation without being regulated by the Division?	There exists the opportunity for certain lending products to overlap between the Ohio Small Loan Act, the Ohio Consumer Installment Loan Act, and the General Loan Law
Is the Division permitted to exercise discretion in determining whether to register, certify, or license an individual?	Yes
Other information (<i>Significant attributes or prerequisites to licensure not addressed in this chart.</i>)	The Division must find that the financial responsibility, experience, and general fitness of the applicant command the confidence of the public and warrant the belief that the business will be operated honestly and fairly in compliance with Ohio law. Applicants must have at least \$50,000 both in net worth and readily available for use in the conduct of the business. Applicants must undergo a criminal background check and credit check.

Oversight and disciplinary authority of the Division respecting individuals engaged in the occupation.

The Division has the authority to investigate applicants, licensees, and any individuals/entities suspected of engaging in the licensed activity, including through the issuance of subpoenas. The Division is required to conduct an examination of all licensees at least once every two years. Licensees are required to keep certain records. The Division has the authority, through the Chapter 119 administrative process, to deny a license application; refuse to renew, suspend, or revoke a license; issue cease and desist orders; and impose civil fines. Additionally, the Division has the authority file civil lawsuits to enjoin violations and impose civil penalties.

How much revenue is derived from fees charged by the Division to individuals engaged in the occupation (such as license and renewal fees)? How is that revenue used?

Revenue generated in FY 2022 was \$103,900 and is used to fund the operations of the Consumer Finance Unit.

Describe any federal regulations that apply to the occupation. Does federal law require the state to regulate the occupation?

TILA, FDCPA, MLA, SCRA and Reg E are a few of the federal regulations and rules that govern lending for all states, in addition to state laws and rules. State law requires state licensure.

What is the harm that the regulation seeks to prevent? (See, R.C. 4798.02(B).)

Protecting members of the general public from lending practices that the General Assembly has determined to be predatory. The “harm” that the regulation seeks to prevent focuses on ensuring that licensees are properly educated and licensed to mitigate any consumer harm when engaging in financial transactions with Ohio consumers. This is especially important as many of the loans that are obtained by Ohioans have a substantial impact on the financial wellbeing of an individual or family. In addition, often licensees have consumer-permitted access to debit consumers bank accounts and hold money to pay according to terms of the loan, making it critical that the Division ensures companies and individuals are properly licensed, educated, and adhere to applicable regulations for consumer protection.

Is the regulation effective at preventing the harm described above? Are there other, less restrictive ways to prevent the harm?

Overall, the regulation has been effective, and there are no less restrictive ways to prevent the harm.

Are there any changes the Division would like to see implemented?

There may exist the possibility to evaluate the viability of combining certain small-dollar non-mortgage lending statutes. Currently, the existence of multiple licenses with overlapping requirements/restrictions leads to some industry and regulatory confusion as well as the potential for “over-licensure” to ensure compliance with all applicable requirements

Surrounding state comparison (LSC)

Consumer Installment Loan License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Type of regulation	License (<i>R.C. 1321.62 to 1321.702</i>).	Not distinguished from general consumer loan license, referred to as “consumer loan license.”	Not distinguished from general consumer loan license, referred to as “consumer loan company license.”	Not distinguished from general consumer loan license, referred to as a “regulatory loan license.”	Not distinguished from general consumer loan license, referred to as “consumer discount company license.”	Not distinguished from general consumer loan license, referred to as “regulated consumer lender.”

Consumer Installment Loan License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
Education or training	N/A	N/A	N/A	N/A	N/A	N/A
Experience	Applicant must demonstrate net worth of at least \$50,000, available assets of at least \$50,000, and experience and general fitness sufficient to command the confidence of the public (<i>R.C. 1321.64 and 1321.65</i>).	N/A	N/A	N/A	N/A	N/A
Exam	N/A	N/A	N/A	N/A	N/A	N/A
Continuing education	N/A	N/A	N/A	N/A	N/A	N/A
Initial licensure fee	\$200 investigation fee (additional fee may apply for actual expenses incurred by the Superintendent of Financial	N/A	N/A	N/A	N/A	N/A

Consumer Installment Loan License						
	Ohio	Indiana	Kentucky	Michigan	Pennsylvania	West Virginia
	Institutions in conducting an investigation of an out-of-state applicant), \$300 registration fee, an additional fee may be assessed by the Nationwide Multistate Licensing System (NMLS) (R.C. 1321.64).					
License duration	Annual (R.C. 1321.641).	N/A	N/A	N/A	N/A	N/A
Renewal fee	\$300, but subject to increase based on expenditures of the Division of Financial Institutions (R.C. 1321.641).	N/A	N/A	N/A	N/A	N/A