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Governor's Statement on the Small Loan Consumer Protection Act

Columbus, OH – Ohio Governor Ted Strickland today made the following statement on the bipartisan introduction of the Small Loan Consumer Protection Act in the Ohio House of Representatives: "In 2008, Ohio voters sent a strong message that they wanted to see greater consumer protections against predatory lending practices," Strickland said. "Since then, my administration has been using the regulatory and rule-making tools available to the Ohio Department of Commerce to strictly enforce the letter and spirit of the law. This legislation is the practical next step to strengthen the laws on the books and close loopholes to enact safeguards for Ohio families.

"The bipartisan introduction of the Small Loan Consumer Protection Act will strike at the core loopholes payday lenders have found in the law to continue to take advantage of Ohio families. I congratulate the members of the Ohio House for working together to move forward legislation that is in the best interest of Ohioans, and I urge the House and Senate to work together to get this legislation to my desk as soon as possible." The Small Loan Consumer Act will prohibit lenders licensed under all small loan and mortgage lending statutes from charging fees for cashing their own checks, or charging origination and credit check fees more than one in 90 days. It will also prohibit payday lenders from charging fees to broker loans or when acting as a credit service organization on behalf of a borrower.