



Ohio Revised Code

Section 135.70 Acceptance of loan package - certificates of deposit.

Effective: September 1, 2008

Legislation: House Bill 545 - 127th General Assembly

(A) The treasurer of state may accept or reject a short-term installment loan linked deposit loan package or any portion of the package required by section 135.69 of the Revised Code, based on the treasurer's evaluation of the package and the amount of state funds to be deposited.

(B) Upon acceptance of the short-term installment loan linked deposit loan package or any portion of the package, the treasurer of state may place certificates of deposit with the eligible lending institution at three per cent below current market rates, as determined and calculated by the treasurer of state. However, when necessary, the treasurer of state may place certificates of deposit prior to acceptance of a short-term installment loan linked deposit loan package.

(C) The treasurer of state shall take all steps, including the development of guidelines, necessary to implement the short-term installment loan linked deposit program established under sections 135.68 to 135.70 of the Revised Code and monitor compliance of eligible lending institutions.

(D)(1) Annually, by the first day of February, the treasurer of state shall report on the short-term installment loan linked deposit program established under sections 135.68 to 135.70 of the Revised Code for the preceding calendar year to the governor, the speaker of the house of representatives, and the president of the senate.

(2) The report required by division (D)(1) of this section shall set forth the short-term installment loan linked deposits made by the treasurer of state under the program during the year and shall include the following information:

(a) The number of short-term installment loans made by each eligible lending institution pursuant to a short-term installment loan linked deposit, categorized by United States postal zip code;

(b) A representation of the number or percentage of loans, pursuant to each short-term installment loan linked deposit, that were paid late or in default.



(3) The speaker of the house of representatives shall transmit copies of the report required by division (D)(1) of this section to the chairperson of the standing house of representatives committee that customarily considers legislation regarding financial institutions, and the president of the senate shall transmit copies of the report to the chairperson of the standing senate committee that customarily considers legislation regarding financial institutions.

(E) The state and the treasurer of state are not liable to any eligible lending institution in any manner for payment of the principal or interest on a loan made under sections 135.68 to 135.70 of the Revised Code to an eligible individual.

(F) Any delay in payments or default on the part of an eligible individual with respect to a loan made under sections 135.68 to 135.70 of the Revised Code does not in any manner affect the deposit agreement between the eligible lending institution and the treasurer of state.