



www.lsc.ohio.gov

# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

## Substitute Bill Comparative Synopsis

**Sub. H.B. 38**

**133<sup>rd</sup> General Assembly**

House Financial Institutions

Carla Napolitano, Attorney

This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Previous Version (I_133_0449-1)	Latest Version (I_133_0449-2)
<b>Commercial credit report fee</b>	
Requires a commercial credit reporting agency to provide one <b>free</b> credit report a year to the representative of the subject of a commercial credit report, when requested by the representative ( <i>R.C. 1349.73</i> ).	Permits the credit reporting agency to charge a reasonable fee, up to \$100, to the representative of the subject of a commercial credit report ( <i>R.C. 1349.73(B)(1) and (2)</i> ). <sup>1</sup>

<sup>1</sup> This engrosses AM-133-0543-1, which was accepted by the committee on June 4, 2019.

Previous Version (I_133_0449-1)	Latest Version (I_133_0449-2)
<b>Commercial credit report information</b>	
Requires the commercial credit report to include the negative information that was provided to the commercial credit reporting agency concerning the subject ( <i>R.C. 1349.73</i> ).	Requires that the commercial credit report consist of <i>all</i> the information that was provided to the commercial credit reporting agency concerning the subject ( <i>R.C. 1349.73(B)(1)</i> ). <sup>2</sup>
<b>General Loan Law</b>	
No provision.	Permits the Superintendent of Financial Institutions to require applicants or registrants under the General Loan Law to use the National Multistate Licensing System for registration and compliance of the General Loan Law, including for the purposes of the application, renewal, fees, and surrender of license ( <i>R.C. 1321.52(D)</i> ).
<b>Ohio Residential Mortgage Lending Act – definitions</b>	
No provision.	Modifies the existing definition of “loan processor or underwriter” to mean an individual who, with respect to the origination of a residential mortgage loan and under the direction of or subject to the supervision of a mortgage loan originator (1) receives, collects, distributes, or analyzes information common for the processing or underwriting a residential mortgage loan, or (2) communicates with a borrower to obtain the information necessary for the processing or underwriting of a loan, to the extent the communication does not include the offering or negotiation of loan rates or terms or counseling borrowers about the loan ( <i>R.C. 1322.01(V)</i> ).

<sup>2</sup> This engrosses AM-133-0612, which was accepted by the committee on June 4, 2019.

Previous Version (I_133_0449-1)	Latest Version (I_133_0449-2)
No provision.	Limits the existing definition of “mortgage servicer” to a person that services more than five mortgage loans ( <i>R.C. 1322.01(AA)</i> ).
No provision.	Modifies the existing definition of “residential mortgage loan” by eliminating the requirement that the real estate be located in Ohio. In addition, instead of requiring the loan to be secured by a first or second lien holder secured creditor, requires it to be secured by a first lien holder or subordinate lien holder secured creditor. ( <i>R.C. 1322.01(HH)</i> .)
No provision.	Defines “transaction of business as a mortgage lender, mortgage servicer, or mortgage broker in this state” to mean the provision or offering of mortgage lender, servicer, or broker services on a residential mortgage loan (1) for any resident or property in Ohio or (2) by a person who is physically located in Ohio but who regularly provides mortgage lender or broker services for property located in another state ( <i>R.C. 1322.01(KK)</i> ) and a conforming change in <i>R.C. 1322.07(A)(1)</i> .
<b>Ohio Residential Mortgage Lending Act – registration</b>	
No provision.	Eliminates the existing requirement that a mortgage lender, servicer, or broker maintain an office location in Ohio and instead requires the office to be located in any U.S. state ( <i>R.C. 1322.07(A)(2)</i> ).
No provision.	Requires a mortgage lender, servicer, or broker application to include the names and addresses of the owners, officers, or partners having control of the applicant ( <i>R.C. 1322.09(A)(2)</i> ).

Previous Version (I_133_0449-1)	Latest Version (I_133_0449-2)
<b>Ohio Residential Mortgage Lending Act – operations manager</b>	
No provision.	Permits the Superintendent of Financial Institutions to consider other experience related to the business of residential mortgage lending that the Superintendent determines is sufficient to qualify as an operations manager to a registrant or entity that holds a valid letter of exemption.
No provision.	Establishes procedures a registrant must follow when the operations manager ceases to be the operations manager.
No provision.	Requires a registrant to cease operations if it is without an operations manager approved by the Superintendent for more than 180 days, unless authorized in writing by the Superintendent ( <i>R.C. 1322.12(B), (C), and (D)</i> ).
No provision.	Eliminates the existing requirement that a mortgage loan originator maintain and display a copy of the license at the office where the mortgage loan originator principally transacts business if the mortgage loan originator is employed by a or associated with a person or entity holding a valid letter of exemption ( <i>R.C. 1322.29(D)</i> ).
<b>Personal checking account information</b>	
No provision.	Eliminates the existing requirements that (1) a financial institution require a person opening a personal checking account to provide the financial institution specified identifying information and (2) a person that issues or prints a check print on the check the date on which the checking account was opened ( <i>R.C. 1349.16, repealed, and a conforming change in R.C. 2913.11</i> ).

Previous Version (I_133_0449-1)	Latest Version (I_133_0449-2)
<b>Written notice to debtor</b>	
No provision.	Eliminates the existing requirement that a person collecting certain debts secured by residential real property send a written notice to the debtor with specified information relating to the loan and the debtor's right to legal representation and possible qualification for bankruptcy ( <i>R.C. 1349.72, repealed</i> ).