



www.lsc.ohio.gov

# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 678  
134<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsors:** Reps. T. Young, and Wiggam

Carla Napolitano, Attorney

### SUMMARY

- Prohibits a bank, credit union, or any other business from discriminating against any person based on subjective criteria.
- Defines “subjective criteria” as a person’s social media posts, membership in any club, association, union, or other organization, political affiliation, employer, any other social credit, environmental, social, and governance, or similar values-based or impact criteria as they relate to a person.
- Establishes a civil penalty against any person that discriminates based on subjective criteria of \$50,000 for the first violation and \$250,000 for any subsequent violation.
- Specifies that any violation under the bill is considered an unfair or deceptive act or practice under Ohio Consumer Sales Practices Act regardless of whether the transaction was a consumer transaction or a business transaction.

### DETAILED ANALYSIS

#### **Prohibition of discrimination based on subjective criteria**

The bill prohibits a bank, credit union, or any other business from discriminating against any person, either directly or through the use of a contractor, based on subjective criteria. “Subjective criteria” is defined in the bill as a person’s social media posts, membership in any club, association, union, or other organization, political affiliation, employer, any other social credit, environmental, social, and governance, or similar values-based or impact criteria as they

relate to a person.<sup>1</sup> The protection under the bill is for any person, which includes an individual, business entity, government entity, or any other legal entity.<sup>2</sup>

### **Employee safety**

The bill does not prevent a bank, credit union, or any other person from discontinuing or refusing to conduct business with a customer or potential customer when such action is necessary for the physical safety of employees.<sup>3</sup>

### **Penalties**

If a bank or credit union discriminates based on subjective criteria, the Superintendent of Financial Institutions must assess a civil penalty against the bank or credit union of \$50,000 for the first violation and \$250,000 for any subsequent violation. This is in addition to any other penalty the Superintendent may assess under existing law.<sup>4</sup>

### **Ohio Consumer Sales Practices Act**

The bill also establishes that a violation of the bill's provisions is considered an unfair or deceptive act or practice under Ohio Consumer Sales Practices Act (CSPA). A person injured by a violation is entitled to a private right of action, regardless of whether the transaction was a consumer transaction or a business transaction. Typically, the CSPA only applies to consumer transactions and a business or government entity does not have protection under the act. Under the bill, any person that is the subject of the prohibited discrimination can sue the person that is discriminating. In addition, the bill gives the Attorney General the authorization to enforce the bill's provisions and specifies that a person that violates the bill's provisions is subject to a \$50,000 penalty for a first violation and \$250,000 for each subsequent violation.<sup>5</sup>

---



---

## **HISTORY**

Action	Date
Introduced	05-16-22

ANHB0678IN-134/ts

<sup>1</sup> R.C. 1109.152(A) and (B), 1345.35(A) and (B), and 1733.254(A) and (B).

<sup>2</sup> R.C. 1345.01(B), not in the bill.

<sup>3</sup> R.C. 1109.152(C), 1345.35(C), and 1733.254(C).

<sup>4</sup> R.C. 1109.152(D) and 1733.254(D).

<sup>5</sup> R.C. 1345.35(D).