

## Ohio:

### I. Introducing Ohio

State Population:	11.59 million
Poverty Rate:	15.8% (over 1,786,000 people) (ranked 31 <sup>st</sup> )
Unemployment Rate:	5.2%
Total State Debt: <sup>1</sup>	\$17.75 billion (Ohio owes more than it owns)
Debt per capita: <sup>2</sup>	\$3,579
Average Credit Rating:	624, which is poor or below average.
Student Loan Debt: <sup>3</sup>	Average debt of \$30,239 (66% in debt)
Interesting Fact:	Birthplace of seven presidents and 24 astronauts
Median Household Income:	\$51,075 in 2015
Rent vs. Own:	11,301,278 (rent) vs 1,047,120 (own)

### II. An Analysis of Payday Loans in Ohio

Legal Status: <sup>4</sup>	Legal
Laws: <sup>5</sup>	Can function in Ohio if they have permission from the state government. Cap of 28%. (Ohio Short-Term Loan Act)
Loopholes: <sup>6</sup>	Ohio Supreme Court decision that payday loans can be made pursuant to the Ohio Mortgage Lending Act and Ohio Small Loan Act or as Credit Services Organizations, which results in rates up to 591%.
Number of Payday Loan Companies: <sup>7</sup>	1,300
Number of Payday Loans Taken Out: <sup>8</sup>	1 in 10 residents

<sup>1</sup> "State Debt" Ballotpedia. Accessed March 6, 2017. [https://ballotpedia.org/State\\_debt](https://ballotpedia.org/State_debt)

<sup>2</sup> "State Debt" Ballotpedia. Accessed March 6, 2017. [https://ballotpedia.org/State\\_debt](https://ballotpedia.org/State_debt)

<sup>3</sup> "Project on Student Debt" The Institute for College Access & Success. Accessed February 21, 2017. <http://ticas.org/posd/map-state-data#>

<sup>4</sup> "Ohio State Information" Payday Loan Consumer Information. Accessed March 6, 2017. <http://www.paydayloaninfo.org/state-information/43>

<sup>5</sup> "Ohio State Information" Payday Loan Consumer Information. Accessed March 6, 2017. <http://www.paydayloaninfo.org/state-information/43>

<sup>6</sup> "Ohio State Information" Payday Loan Consumer Information. Accessed March 6, 2017. <http://www.paydayloaninfo.org/state-information/43>

<sup>7</sup> "McDonalds vs. Payday Lenders" California State University Northridge. Accessed February 21, 2017. [http://www.csun.edu/~sg4002/research/mcdonalds\\_by\\_state.htm](http://www.csun.edu/~sg4002/research/mcdonalds_by_state.htm)

<sup>8</sup> "Ohio Has the Highest Payday Loan Prices in the Nation" The PEW Charitable Trusts. Accessed February 21, 2017.

Average # of Loans per Borrower:	5 to 6
Maximum Loan Amount: <sup>9</sup>	\$500
Minimum Length of Loan:	31 days
Maximum Length of Loan:	No maximum length of loan
Rollovers Permitted:	None are allowed
Fees and Finance Charges:	28% annual interest
Finance Charge on a 14-day \$100 Loan:	\$1.08
APR on a 14-day \$100 Loan:	28% (if laws are followed) 591% (if companies go through loophole)
Maximum # of Outstanding Loans at a Time:	1 rollover is allowed per quarter (4 per year)
Repayment Plan:	Yes, there is a 60-day repayment plan with no fees.
Cooling-off Period:	There is a limit of 2 loans in 90 days
Default on Loan:	Under the state of Ohio, only licensed payday lenders or those who have undergone rigorous screening and have paid the application fee of \$500 can collect legally against borrowers that defaulted on their loans.
Collection Fees:	Bank charges (if disclosed) <ul style="list-style-type: none"> <li>● \$20 collection charge</li> <li>● Court costs after default</li> <li>● Damages</li> </ul>
Criminal Charges:	Prohibited

### III. An Analysis of Title Loans in Ohio

Size of Title Loan Industry: <sup>10</sup>	\$141,447,332 (total loan volume in Ohio)
Legality of Title Loans:	Not Legal
Loopholes:	Loophole evades consumer protections
Average Rate of Title Loans:	300%
Number of Title Loan Companies: <sup>11</sup>	600 (Majority belong to Grupo Elektra)

<http://www.pewtrusts.org/en/research-and-analysis/fact-sheets/2016/12/ohio-has-the-highest-payday-loan-prices-in-the-nation>

<sup>9</sup> "Ohio State Information" Payday Loan Consumer Information. Accessed March 6, 2017.

<http://www.paydayloaninfo.org/state-information/43>

<sup>10</sup> "The Buckeye Burden: An Analysis of Payday and Car Title Lending in Ohio" Center for Responsible Lending. Accessed February 21, 2017.

[http://www.responsiblelending.org/payday-lending/research-analysis/crl\\_ohio\\_analysis\\_nov2015.pdf](http://www.responsiblelending.org/payday-lending/research-analysis/crl_ohio_analysis_nov2015.pdf)

<sup>11</sup> "Payday and Car Title Lenders Drain \$8 Billion in Fees Every Year" Center for Responsible Lending. Accessed February 21, 2017.

Number of Title Loans Taken Out: <sup>12</sup>	135,746 (roughly 227 loans per store)
Average Loan Amount per Consumer: <sup>13</sup>	\$1,042

#### IV. Regulating Payday and Title Lenders in Ohio

Legal Assistance:	
Regulator: Ohio Division of Financial Institutions	Address: 77 South High Street, 21 <sup>st</sup> Floor Columbus, OH 43215
	Phone: (614) 728-8400
	Fax: (614) 728-0380
	Website: <a href="http://www.com.ohio.gov/fiin/">http://www.com.ohio.gov/fiin/</a>
State Information:	

#### References:

[http://responsiblelending.org/sites/default/files/nodes/files/research-publication/crl\\_statebystate\\_fee\\_drain\\_may2016\\_0.pdf](http://responsiblelending.org/sites/default/files/nodes/files/research-publication/crl_statebystate_fee_drain_may2016_0.pdf)

<sup>12</sup> "Payday and Car Title Lenders Drain \$8 Billion in Fees Every Year" Center for Responsible Lending. Accessed February 21, 2017.

[http://responsiblelending.org/sites/default/files/nodes/files/research-publication/crl\\_statebystate\\_fee\\_drain\\_may2016\\_0.pdf](http://responsiblelending.org/sites/default/files/nodes/files/research-publication/crl_statebystate_fee_drain_may2016_0.pdf)

<sup>13</sup> "The Buckeye Burden: An Analysis of Payday and Car Title Lending in Ohio" Center for Responsible Lending. Accessed February 21, 2017.

[http://www.responsiblelending.org/payday-lending/research-analysis/crl\\_ohio\\_analysis\\_nov2015.pdf](http://www.responsiblelending.org/payday-lending/research-analysis/crl_ohio_analysis_nov2015.pdf)