

1 RESOLUTION NO. 2017-134

2 **Late Filing**  
3 **First Reading Passage Requested**  
4 **(C. Dickinson)**

5 SPONSORS Mr. Dickinson, Ms. Shapiro, Ms. Walters, Mrs. Prentice and Council of the Whole

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7  
8 DATE April 3, 2017 COMMITTEE Rules

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10 **A Resolution expressing support for Ohio House Bill 123 which will close an existing**  
11 **loophole and cap the annual interest rate for payday loan lenders, and urging the Ohio**  
12 **Legislature and Governor Kasich to support the same, for the Executive and Council, and**  
13 **declaring an emergency.**

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15 WHEREAS, Ohio has the highest payday loan rates in the nation and more than a million  
16 Ohio residents have taken out high cost payday loans; and

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18 WHEREAS, Ohio payday loan rates average an annual percentage rate of 591 percent  
19 and a resident who has a \$300 payday loan out for five months must pay back more than double  
20 the amount (\$680) in interest and fees alone; and

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22 WHEREAS, the Ohio General Assembly passed legislation in 2008 capping payday  
23 lending rates at 28 percent; and

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25 WHEREAS, a subsequent statewide referendum in 2008 to cap payday lending interest  
26 rates was approved by almost 3.4 million Ohio voters (64 percent of the vote); and

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28 WHEREAS, payday lending companies have utilized a loophole under Ohio's Mortgage  
29 Loan Act for several years enabling them to continue charging extremely high interest rates  
30 despite the legislation passed by the Ohio General Assembly and the results of the referendum;  
31 and

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33 WHEREAS, Ohio House Bill 123 (HB 123) was introduced March 9, 2017 in a  
34 bipartisan manner by Representative Michael Ashford (D-44) and Representative Kyle Kochler  
35 (R-79); and

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37 WHEREAS, HB 123 would amend the Ohio Mortgage Loan act and set limits on the  
38 annual interest rate payday lenders can charge at 28 percent and also ensures monthly payments  
39 do not exceed five percent of a borrower's gross monthly income; and

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41 WHEREAS, this Council finds and determines, after reviewing all pertinent information,  
42 that it is necessary and in the best interest of the County of Summit to support Ohio House Bill  
43 123 which closes the existing loophole by setting limits to payday lending rates, and urges the  
44 Ohio Legislature and Governor Kasich to do the same.

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46 NOW, THEREFORE, BE IT RESOLVED by the Council of the County of Summit, State  
47 of Ohio, that:

48  
49 SECTION 1

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51 This Council hereby expresses support for HB123 in an effort to eliminate some of the  
52 financial burden faced by many Ohio residents after borrowing money from payday loan lenders.

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SECTION 2

The Clerk of Council is hereby authorized and directed to forward a copy of this Resolution to all members of the County of Summit Ohio Legislative Delegation and Governor Kasich's Office.

SECTION 3

This Resolution is hereby declared an emergency in the interest of the health, safety, and welfare of the citizens of the County of Summit and for the further reason that it allows this Council to express support for HB 123 and urges the Ohio Legislature and Governor Kasich to do the same.

SECTION 4

Provided this Resolution received the affirmative vote of eight members, it shall take effect immediately upon its adoption and approval by the Executive; otherwise, it shall take effect and be in force at the earliest time provided by law.

SECTION 5

It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

INTRODUCED April 3, 2017

ADOPTED April 3, 2017

  
\_\_\_\_\_  
CLERK OF COUNCIL

  
\_\_\_\_\_  
PRESIDENT OF COUNCIL

APPROVED April 4, 2017

  
\_\_\_\_\_  
EXECUTIVE

ENACTED EFFECTIVE April 4, 2017

Voice Vote: 10-0 YES: Crawford, Dickinson, Donofrio, Feeman, Koehler, Prentice, Rodgers, Schmidt, Walters, Wilhite  
ABSENT: Hamilton