



Ohio Revised Code

Section 1321.70 Enforcement actions for Consumer Installment Loan Act violations.

Effective: September 12, 2017

Legislation: Senate Bill 24 - 132nd General Assembly

(A) The division of financial institutions may, upon written notice to the licensee stating the contemplated action, the grounds for the action, and the licensee's reasonable opportunity to be heard on the action in accordance with Chapter 119. of the Revised Code, revoke, suspend, or refuse to renew any license issued under sections 1321.62 to 1321.702 of the Revised Code if it finds a violation of or failure to comply with any provision of sections 1321.62 to 1321.702 of the Revised Code or the rules adopted thereunder, any federal lending law, or any other law applicable to the business conducted under a license.

(B) In addition to, or in lieu of, any revocation, suspension, or denial, the division may impose a monetary fine after administrative hearing or in settlement of matters subject to claims under division (A) of this section.

(C) The revocation, suspension, or refusal to renew shall not impair the obligation of any pre-existing lawful contract made under sections 1321.62 to 1321.702 of the Revised Code; provided, however, that a prior licensee shall make good faith efforts to promptly transfer the licensee's collection rights to another licensee or person exempt from licensing, or be subject to additional monetary fines and legal or administrative action by the division. Nothing in this division shall limit a court's ability to impose a cease-and-desist order preventing any further business or servicing activity.

(D)(1) The superintendent of financial institutions may impose a fine for a violation of sections 1321.62 to 1321.702 of the Revised Code committed by a licensee. All fines collected pursuant to this section shall be paid to the treasurer of state to the credit of the consumer finance fund created in section 1321.21 of the Revised Code. In determining the amount of a fine to be imposed pursuant to this division, the superintendent may consider all of the following to the extent it is known to the division:



- (a) The seriousness of the violation;
- (b) The licensee's good faith efforts to prevent the violation;
- (c) The licensee's history regarding violations and compliance with division orders;
- (d) The licensee's financial resources;
- (e) Any other matters the superintendent considers appropriate in enforcing sections 1321.62 to 1321.702 of the Revised Code.

(2) Monetary fines imposed under division (D)(1) of this section shall not exceed twenty-five thousand dollars.

(E) The superintendent may investigate alleged violations of sections 1321.62 to 1321.702 of the Revised Code, or the rules adopted thereunder, or complaints concerning any such violation. The superintendent may make application to the court of common pleas for an order enjoining any violation and, upon a showing by the superintendent that a person has committed, or is about to commit, a violation, the court shall grant an injunction, restraining order, or other appropriate relief. The superintendent, in making application to the court of common pleas for an order enjoining a person from acting as a licensee in violation of section 1321.63 of the Revised Code, may also seek and obtain civil penalties for that unlicensed conduct in an amount not to exceed five thousand dollars per violation.

(F) In conducting an investigation pursuant to this section, the superintendent may compel, by subpoena, witnesses to testify in relation to any matter over which the superintendent has jurisdiction, and may require the production or photocopying of any book, record, or other document pertaining to such matter. If a person fails to file any statement or report, obey any subpoena, give testimony, produce any book, record, or other document as required by such a subpoena, or permit photocopying of any book, record, or other document subpoenaed, the court of common pleas of any county in this state, upon application made to it by the superintendent, shall compel obedience by attachment proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from the court, or a refusal to testify therein.



(G) If the superintendent determines that a person is engaged in, or is believed to be engaged in, activities that may constitute a violation of sections 1321.62 to 1321.702 of the Revised Code, the superintendent may, after notice and a hearing conducted in accordance with Chapter 119. of the Revised Code, issue a cease-and-desist order. The superintendent, in taking administrative action to enjoin a person from acting as a licensee in violation of section 1321.63 of the Revised Code, may also seek and impose fines for those violations in an amount not to exceed five thousand dollars per violation. Such an order shall be enforceable in the court of common pleas.

(H) The superintendent shall regularly report violations of sections 1321.62 to 1321.702 of the Revised Code, as well as enforcement actions and other relevant information, to the NMLSR.

(I)(1) To protect the public interest, the superintendent may, without a prior hearing, do any of the following:

(a) Suspend the license of a person who is convicted of or pleads guilty or nolo contendere to a criminal violation of sections 1321.62 to 1321.702 of the Revised Code;

(b) Suspend any licensee who violates section 1321.65 of the Revised Code;

(c) Suspend any licensee who fails to comply with a request made by the superintendent under this section.

(2) The superintendent may, in accordance with Chapter 119. of the Revised Code, subsequently revoke any license suspended under division (I)(1) of this section.