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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

S.B. 264
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 264's Bill Analysis](#)

Version: As Reported by House Financial Institutions

Primary Sponsor: Sen. Brenner

Local Impact Statement Procedure Required: No

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Highlights

- The Department of Commerce's Division of Financial Institutions, specifically the Consumer Finance Section, may incur new costs for regulating remote work by mortgage loan originators, others subject to the Residential Mortgage Lending Act (RMLA), and employees of a Consumer Installment Loan Act (CILA) licensee.
- To offset the potential cost to regulate remote work by mortgage loan originators and others subject to the RMLA, the bill allows for an annual fee of not more than \$25 for each location at which a mortgage loan originator or any other person associated with the registrant or entity works remotely. These fees will be deposited into the Consumer Finance Fund (Fund 5530).

Detailed Analysis

The bill permits a registered mortgage lender, servicer, or broker, or an entity exempted from registration under the Residential Mortgage Lending Act (RMLA), to allow a mortgage loan originator or any other person associated with the registrant or entity to work remotely if certain conditions are met. Additionally, the bill allows employees of Consumer Installment Loan Act (CILA) licensees to work remotely if the lender follows certain protocols. As a result, the bill may increase costs for the Department of Commerce's Division of Financial Institutions, in particular the Consumer Finance Section. The cost will ultimately depend on the number of mortgage loan originators and CILA employees that engage in remote work. To offset the potential cost of regulating remote work by mortgage loan originators and others subject to the RMLA, the bill allows the Superintendent of Financial Institutions to charge a registrant or entity an annual fee of not more than \$25 for each location at which a mortgage loan originator or any other person associated with the registrant or entity works remotely. The annual fee will be deposited into the Consumer Finance Fund (Fund 5530) that is used by the Consumer Finance Section to regulate

consumer finance businesses and nondepository lending institutions. As of March 2022, there were 18,816 active licensed mortgage originators. As of June 2022, there are 279 CILA licensees.