



April 17, 2020

Representative Paul Zeltwanger
77 S. High St, 12th Floor
Columbus, OH 43215

Chairman Zeltwanger:

On behalf Ohio's 257 credit unions and their more than 3 million members, the Ohio Credit Union League (League) would like to thank you and the entire OHIO 2020 Coronavirus Task Force for the opportunity to discuss the collective Ohio credit union willingness and desire to fully contribute to Ohio's economic recovery following the COVID-19 pandemic.

As League Director and CEO of Directions Credit Union Barry Shaner mentioned in the April 15 hearing, Ohio credit unions are encouraging the state's leaders to promote existing economic development programs, leverage technology, and consider appropriate regulatory relief measures to quicken Ohio's economic recovery. This includes:

Promote Existing Economic Development Programs

- The Ohio Development Services Agency's (ODSA) Collateral Enhancement Program (CEP), which provides lending institutions with cash collateral deposits to use as additional collateral for loans made to eligible for-profit, small businesses.
- The Ohio Capital Access Program (OCAP), also offered by the ODSA, that encourages business lending by pooling funds into a reserve account deposited by the state, lender and business. The reserve account is available to the lender for loss recovery associated with any loan enrolled in the program.
- Linked-deposit programs through the Ohio Treasurer of State, which support job growth and promote financial stability for small businesses and communities. We encourage the legislature further empower community-based lenders, like credit unions, to expeditiously, broadly, and equally distribute linked-deposit relief to small businesses.

Leverage Technology

- We encourage the legislature to fully empower local governments to leverage technology, like remote or online notarization, to meet future consumer needs and expectations.
- We also encourage the state to embrace other new technologies, like block chain, to ensure title searches and recordings can be done quickly, securely, and efficiently.

Regulatory Relief

- Capital requirements, liquidity ratios, and "high-risk" loans are heavily regulated by both the federal and state government. To provide lenders greater flexibility to meet consumer needs, we encourage the legislature to work with regulators to offer lenders temporary regulatory relief and examination flexibility moving forward amid recovery efforts.





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Most importantly, we encourage the legislature to further empower Ohio credit unions, as community-based financial first responders, to do more for Ohioans and local communities as full and equal partners in the state's recovery efforts.

We appreciate the task force's careful consideration of these matters as Ohio credit unions are here to assist Ohioans in the state's recovery efforts. Please share this letter with the entire task force and consider the League as a resource as the recovery planning continues to move forward. If you have any questions, League staff Cory Fleming (614) 395-0371 or cfleming@ohiocul.org and Andrew Canan (614) 512-0330 or acanan@ohiocul.org are here to assist at any time.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Mercer'.

Paul Mercer
President

A handwritten signature in black ink, appearing to read 'Emily C. Leite'.

Emily Leite
SVP, Advocacy

CC: Representative Terrence Upchurch, Vice-Chairman



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