

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 1301:8-5-08

**Rule Type:** Amendment

**Rule Title/Tagline:** Continuing education.

**Agency Name:** Department of Commerce

**Division:** Division of Financial Institutions: Consumer Finance

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#### I. Rule Summary

1. **Is this a five year rule review?** Yes
  - A. **What is the rule's five year review date?** 1/5/2024
2. **Is this rule the result of recent legislation?** No
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** 4727.13(A), 4727.19(E)
5. **What statute(s) does the rule implement or amplify?** 4727.19
6. **Does the rule implement a federal law or rule in a manner that is more stringent or burdensome than the federal law or regulation requires?** No
  - A. **If so, what is the citation to the federal law or rule?** Not Applicable
7. **What are the reasons for proposing the rule?**

This rule is being proposed as part of a five year rule review. After reviewing the rule pursuant to the review process of section 106.03 of the Revised Code it was determined that an amendment was needed.
8. **Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

This rule clarifies the continuing education requirements in section 4727.19 of the Revised Code. It sets forth the requirements for persons applying to offer continuing education courses, course approval criteria for licensees, and those who need to take continuing education on behalf of the licensee.

9. **Does the rule incorporate material by reference? No**
10. **If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

*Not Applicable*

11. **If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

*Not Applicable*

## **II. Fiscal Analysis**

12. **Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

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Not Applicable.

13. **What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

Not Applicable.

14. **Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**

15. **Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No**

16. **If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.**

Not Applicable.

### **III. Common Sense Initiative (CSI) Questions**

17. Was this rule filed with the Common Sense Initiative Office? Yes

18. Does this rule have an adverse impact on business? Yes

A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No

B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? Yes

Section 4727.19 of the Revised Code, requires a pawnbroker licensee to designate an employee for each business location to complete 8 hours of continuing education for every two-year license period. The cost of completing continuing education ranges from \$125 to \$425, plus the licensee or salesperson time in the classroom. Many of the continuing education hours can be taken at the Ohio Pawnbroker Association and are discounted for members. The source of these estimates are from the division licensing section which is responsible for the review, approval and tracking of approved pawnbroker continuing education classes. This rule is being amended to remove redundant and outdated regulations.

C. Does this rule require specific expenditures or the report of information as a condition of compliance? No

D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? No

### **IV. Regulatory Restriction Requirements under S.B. 9. Note: This section only applies to agencies described in R.C. 121.95(A).**

19. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? Yes

A. How many new regulatory restrictions do you propose adding to this rule? 0

**B. How many existing regulatory restrictions do you propose removing from this rule? 4**

1301:8-5-08(C)(1)(a): removes the requirement that a pawnbroker must submit information in writing to the superintendent 15 days in advance if he or she is seeking approval of a course.

1301:8-5-08(C)(1)(b): removes the requirement that a licensee must include proof of attendance in the course and documentation of successful completion by the designated employee to the satisfaction of the superintendent.

1301:8-5-08(E): removes the word "shall" and replaces it with the word "means."

1301:8-5-08(G) removes the requirement that a designee must complete the training within the required training period because it is redundant with requirements set forth in 4727.19(A)

**C. If you are not removing existing regulatory restrictions from this rule, please list the rule number(s) from which you are removing restrictions.**

**D. Please justify the adoption of the new regulatory restriction(s).**

Not Applicable