Protect consumers during pandemic and recession

The Ohio Senate Insurance and Financial Institutions Committee today voted to pass legislation that will dismantle the Ohio Debt Adjuster’s Act, which regulates for-profit debt settlement companies. Debt settlement companies claim to help consumers reduce their debts, but investigations from both Republican and Democratic led federal and state consumer protection agencies have shown that the industry takes advantage of people in bad financial circumstances. Policy Matters Ohio Project Director Kalitha Williams released the following statement:

“From Akron to Oxford, Ohioans are looking out for each other by wearing masks, keeping their distance and helping neighbors in need. It shouldn’t be too much to ask of our elected leaders to look out for us, too. Instead, they’re doing the bidding of debt adjustment corporations, working to remove important consumer protections. As Ohio families struggle to pay their bills, they need more safeguards from companies that have a track record of exploiting them, not less.

“During this crisis, state legislators should focus on protecting financially vulnerable Ohioans. Keeping the Ohio Debt Adjuster’s Act intact, by halting this legislation, is an important step in the right direction. Ohio families need real solutions to help manage their debts, not the false hope promised from debt settlement companies.”

Senate Bill 112 could come to a vote before the full Senate, as soon as the next Senate session scheduled for tomorrow, Wednesday, September 2, 2020.

Read Kalitha’s January testimony on the bill