

AN ACT

To amend sections 1319.16, 2335.19, and 2335.24 and to enact section 2335.241 of the Revised Code relative to the terms of a contract entered into by a clerk of a court with a public agency or private vendor for the collections of amounts due under judgments for costs, to the use of certain interest for computerization of the clerk's office, and to allowing a collection agency to collect from the holder any charge imposed by a financial institution on a negotiable instrument that has been returned or dishonored.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 1319.16, 2335.19, and 2335.24 be amended and section 2335.241 of the Revised Code be enacted to read as follows:

Sec. 1319.16. (A) If a collection agency has been designated to collect on a check, negotiable order of withdrawal, share draft, or other negotiable instrument that has been returned or dishonored for any reason, the collection agency may charge and receive check collection charges of not more than thirty dollars or ten per cent of the face amount of the instrument, whichever is greater, and may charge and receive any charge imposed by a financial institution upon the holder of the check, negotiable order of withdrawal, share draft, or other negotiable instrument that has been returned or dishonored for any reason.

(B) A collection agency that imposes a check collection charge pursuant to division (A) of this section shall send written notice by regular mail to the debtor at the debtor's last known address or at the address shown on the check or other instrument. The notice shall provide the amount of the check collection charge that has been imposed, and shall state that the debtor is responsible for paying the check collection charge as well as the value of the check or other instrument.

Sec. 2335.19. (A) On the rendition of judgment in any cause in any

court, the costs of the party recovering, together with the party's debt or damages, shall be carried into the party's judgment, and the costs of the party against whom that judgment is rendered shall be separately stated in the record or docket entry. No party in whose favor judgment for costs is rendered in a cause may release, satisfy, or discharge, in whole or in part, any of those costs, unless that party previously has paid those costs to the clerk of the court or unless those costs have been paid to the person entitled to those costs or have been legally assigned or transferred to that party by the persons in whose names those costs stand taxed upon the record or docket.

(B) An entry of judgment that includes a grant of judgment for costs is an order that authorizes the clerk of the court, in accordance with division (C) of this section, to issue a certificate of judgment for all costs, ~~including the total cost of collection of and any interest due on the judgment for costs,~~ including any interest due on the judgment for costs, any cost incurred by the clerk in collecting the judgment for costs, and any fee a public agency or private vendor charges the clerk pursuant to a contract entered into under division (B)(1) of section 2335.24 of the Revised Code for collecting the judgment for costs against the person who is liable for the payment of those costs.

(C) The clerk of a court who wishes to issue a certificate of judgment for costs pursuant to a judgment for costs shall provide an itemized bill of fees and costs, ~~including the total cost of collection of and any interest due on the judgment for costs,~~ to the person who is liable for costs under the judgment, either upon the request of the person as specified in section 2335.32 of the Revised Code or without a request. If the person does not pay the fees and costs within thirty days after the clerk provides the itemized bill, the clerk shall send the person a first notice requesting payment of the fees and costs as stated in the itemized bill. If the person does not respond to the first notice with the full payment of the fees and costs within thirty days, the clerk shall send the person a second notice requesting payment of the fees and costs. If ninety days elapse from the date that the clerk provides the itemized bill and if the person has not paid the full amount of the fees and costs pursuant to the itemized bill and the notices, the clerk may issue a certificate of judgment for costs against the person for the fees and costs. After issuing a certificate of judgment for costs, the clerk may assess the interest accrued from the date the clerk sends the first notice requesting payment of the fees and costs as stated in the itemized bill to the date of collection of the judgment at the rate established in section 1343.03 of the Revised Code.

Sec. 2335.24. (A) In all causes in any court, except as otherwise provided in section 2969.23 of the Revised Code, costs taxed and entered as provided by sections 2335.18 to 2335.23 of the Revised Code may be collected by the process provided by those sections.

(B)(1) The clerk of a court may enter into contracts with one or more public agencies or private vendors for the collection of amounts due under judgments for costs. The contracts shall comply with division (B)(2) of this section. The amounts may include any interest that also is due on a judgment for costs. Before entering into or renewing a contract of that nature, the clerk of a court shall do all of the following:

(a) Comply with the provisions of sections 307.86 to 307.92 of the Revised Code that pertain to required competitive bidding. For purposes of complying with those sections, the clerk of the court shall be considered the contracting authority.

(b) Obtain the approval of the terms of the contract by the legislative authority associated with the court.

(2) A contract entered into or renewed by the clerk of a court pursuant to division (B)(1) of this section shall include all of the following terms:

(a) A requirement that the contracting public agency or private vendor must disburse the full amount collected by the agency or vendor that is due under the judgment for costs, including any interest that is also due on that judgment, to the contracting clerk of a court for disbursement to the appropriate entity as designated by the Revised Code;

(b) A provision that prohibits the contracting public agency or private vendor from deducting any fees or expenses that the agency or vendor incurs in the collection of the judgment from the amount collected that is due under the judgment including interest.

(3) As used in division (B) of this section, "legislative authority" has the same meaning as in division (B) of section 1901.03 of the Revised Code, if the clerk of the court involved is the clerk of a municipal court, and means a board of county commissioners, if the clerk of the court involved is the clerk of a county court or a court of common pleas.

Sec. 2335.241. In order to provide funds to support the effective use of computerization within the office of the clerk of the court of common pleas, upon the request of the clerk of the court of common pleas, the board of county commissioners, by a resolution adopted on an annual basis prior to the thirty-first day of January in any year, may authorize the clerk of court to deposit in a fund for that purpose all or a portion of the interest that is due on certificates of judgment issued by that clerk pursuant to division (C) of section 2335.19 of the Revised Code and that the clerk receives during that

calendar year. The clerk of the court shall pay to the county treasurer the interest authorized by the resolution of the board of county commissioners to be used for computerization within the office of the clerk. The treasurer shall deposit the money from this interest into any fund previously established under division (B)(1) of section 2303.021 of the Revised Code if a fund has been established for funds collected under that division. If a fund has not been established under that division, the treasurer shall deposit the money from this interest into a separate fund to be distributed after appropriation by the board of county commissioners in an amount no greater than the actual cost of a computerization project recommended by the clerk of the court of common pleas and approved by the board of county commissioners. The board of county commissioners, with the consent of the clerk of the court of common pleas, may determine at any time that the separate fund established is no longer necessary and may terminate that fund. Notwithstanding sections 5705.14 to 5705.16 of the Revised Code, if that fund is terminated, the treasurer shall transfer any moneys that remain in the fund to the general fund of the county.

SECTION 2. That existing sections 1319.16, 2335.19, and 2335.24 of the Revised Code are hereby repealed.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

Sub. H. B. No. 464

6

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the
____ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____