As Passed by the House

124th General Assembly Regular Session 2001-2002

Sub. H. B. No. 464

REPRESENTATIVES Willamowski, Seitz, Grendell, Buehrer, Damschroder, Schmidt, Coates, Otterman, Hughes, Evans, Manning, Womer Benjamin, Barrett, Flannery, Latta, Salerno

A BILL

To amend sections 1319.16, 2335.19, and 2335.24 and to	1
enact section 2335.241 of the Revised Code relative	2
to the terms of a contract entered into by a clerk	3
of a court with a public agency or private vendor	4
for the collections of amounts due under judgments	5
for costs, to the use of certain interest for	6
computerization of the clerk's office, and to	7
allowing a collection agency to collect from the	8
holder any charge imposed by a financial	9
institution on a negotiable instrument that has	10
been returned or dishonored.	11

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 1319.16, 2335.19, and 2335.24 be12amended and section 2335.241 of the Revised Code be enacted to13read as follows:14

Sec. 1319.16. (A) If a collection agency has been designated 15 to collect on a check, negotiable order of withdrawal, share 16 draft, or other negotiable instrument that has been returned or 17 dishonored for any reason, the collection agency may charge and 18

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receive check collection charges of not more than thirty dollars 19 or ten per cent of the face amount of the instrument, whichever is 20 greater, and may charge and receive any charge imposed by a 21 financial institution upon the holder of the check, negotiable 22 order of withdrawal, share draft, or other negotiable instrument 23 that has been returned or dishonored for any reason. 24

(B) A collection agency that imposes a check collection 25 charge pursuant to division (A) of this section shall send written 26 notice by regular mail to the debtor at the debtor's last known 27 address or at the address shown on the check or other instrument. 28 The notice shall provide the amount of the check collection charge 29 that has been imposed, and shall state that the debtor is 30 responsible for paying the check collection charge as well as the 31 value of the check or other instrument. 32

Sec. 2335.19. (A) On the rendition of judgment in any cause 33 in any court, the costs of the party recovering, together with the 34 party's debt or damages, shall be carried into the party's 35 judgment, and the costs of the party against whom that judgment is 36 rendered shall be separately stated in the record or docket entry. 37 No party in whose favor judgment for costs is rendered in a cause 38 may release, satisfy, or discharge, in whole or in part, any of 39 those costs, unless that party previously has paid those costs to 40 the clerk of the court or unless those costs have been paid to the 41 person entitled to those costs or have been legally assigned or 42 transferred to that party by the persons in whose names those 43 costs stand taxed upon the record or docket. 44

(B) An entry of judgment that includes a grant of judgment
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for costs is an order that authorizes the clerk of the court, in
accordance with division (C) of this section, to issue a
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certificate of judgment for all costs, including the total cost of
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collection of and any interest due on the judgment for costs,
including any interest due on the judgment for costs, any cost
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incurred by the clerk in collecting the judgment for costs, and	51
any fee a public agency or private vendor charges the clerk	52
pursuant to a contract entered into under division (B)(1) of	53
section 2335.24 of the Revised Code for collecting the judgment	54
for costs against the person who is liable for the payment of	55
those costs.	56

(C) The clerk of a court who wishes to issue a certificate of 57 judgment for costs pursuant to a judgment for costs shall provide 58 an itemized bill of fees and costs, including the total cost of 59 collection of and any interest due on the judgment for costs, to 60 the person who is liable for costs under the judgment, either upon 61 the request of the person as specified in section 2335.32 of the 62 Revised Code or without a request. If the person does not pay the 63 fees and costs within thirty days after the clerk provides the 64 itemized bill, the clerk shall send the person a <u>first</u> notice 65 requesting payment of the fees and costs as stated in the itemized 66 bill. If the person does not respond to the <u>first</u> notice with the 67 full payment of the fees and costs within thirty days, the clerk 68 shall send the person a second notice requesting payment of the 69 fees and costs. If ninety days elapse from the date that the clerk 70 provides the itemized bill and if the person has not paid the full 71 amount of the fees and costs pursuant to the itemized bill and the 72 notices, the clerk may issue a certificate of judgment for costs 73 against the person for the fees and costs. After issuing a 74 certificate of judgment for costs, the clerk may assess the 75 interest accrued from the date the clerk sends the first notice 76 requesting payment of the fees and costs as stated in the itemized 77 bill to the date of collection of the judgment at the rate 78 established in section 1343.03 of the Revised Code. 79

sec. 2335.24. (A) In all causes in any court, except as 80
otherwise provided in section 2969.23 of the Revised Code, costs 81
taxed and entered as provided by sections 2335.18 to 2335.23 of 82

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the Revised Code may be collected by the process provided by those 83 sections. 84 (B)(1) The clerk of a court may enter into contracts with one 85 or more public agencies or private vendors for the collection of 86 amounts due under judgments for costs. The contracts shall comply 87 with division (B)(2) of this section. The amounts may include any 88 interest that also is due on a judgment for costs. Before entering 89 into or renewing a contract of that nature, the clerk of a court 90 shall do all of the following: 91 (a) Comply with the provisions of sections 307.86 to 307.92 92 of the Revised Code that pertain to required competitive bidding. 93 For purposes of complying with those sections, the clerk of the 94 court shall be considered the contracting authority. 95 (b) Obtain the approval of the terms of the contract by the 96 legislative authority associated with the court. 97 (2) A contract entered into or renewed by the clerk of a 98 court pursuant to division (B)(1) of this section shall include 99 all of the following terms: 100 (a) A requirement that the contracting public agency or 101 private vendor must disburse the full amount collected by the 102 agency or vendor that is due under the judgment for costs, 103 including any interest that is also due on that judgment, to the 104 contracting clerk of a court for disbursement to the appropriate 105 entity as designated by the Revised Code; 106 (b) A provision that prohibits the contracting public agency 107 or private vendor from deducting any fees or expenses that the 108 agency or vendor incurs in the collection of the judgment from the 109 amount collected that is due under the judgment including 110

<u>interest.</u> 111 <u>(3)</u> As used in division (B) of this section, "legislative 112

authority" has the same meaning as in division (B) of section

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1901.03 of the Revised Code, if the clerk of the court involved is114the clerk of a municipal court, and means a board of county115commissioners, if the clerk of the court involved is the clerk of116a county court or a court of common pleas.117

sec. 2335.241. In order to provide funds to support the 118 effective use of computerization within the office of the clerk of 119 the court of common pleas, upon the request of the clerk of the 120 court of common pleas, the board of county commissioners, by a 121 resolution adopted on an annual basis prior to the thirty-first 122 day of January in any year, may authorize the clerk of court to 123 deposit in a fund for that purpose all or a portion of the 124 interest that is due on certificates of judgment issued by that 125 clerk pursuant to division (C) of section 2335.19 of the Revised 126 Code and that the clerk receives during that calendar year. The 127 clerk of the court shall pay to the county treasurer the interest 128 authorized by the resolution of the board of county commissioners 129 to be used for computerization within the office of the clerk. The 130 treasurer shall deposit the money from this interest into any fund 131 previously established under division (B)(1) of section 2303.021 132 of the Revised Code if a fund has been established for funds 133 collected under that division. If a fund has not been established 134 under that division, the treasurer shall deposit the money from 135 this interest into a separate fund to be distributed after 136 appropriation by the board of county commissioners in an amount no 137 greater than the actual cost of a computerization project 138 recommended by the clerk of the court of common pleas and approved 139 by the board of county commissioners. The board of county 140 commissioners, with the consent of the clerk of the court of 141 common pleas, may determine at any time that the separate fund 142 established is no longer necessary and may terminate that fund. 143 Notwithstanding sections 5705.14 to 5705.16 of the Revised Code, 144 if that fund is terminated, the treasurer shall transfer any 145

moneys that remain in the fund to the general fund of the county.	146
Section 2. That existing sections 1319.16, 2335.19, and	147
2335.24 of the Revised Code are hereby repealed.	148