

As Reported by the House Civil and Commercial Law Committee

124th General Assembly

Regular Session

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Sub. H. B. No. 464

REPRESENTATIVES Willamowski, Seitz, Grendell

A B I L L

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 be 12
amended and section 2335.241 of the Revised Code be enacted to 13
read 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
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

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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 45
for costs is an order that authorizes the clerk of the court, in 46
accordance with division (C) of this section, to issue a 47
certificate of judgment for all costs, ~~including the total cost of~~ 48
~~collection of and any interest due on the judgment for costs,~~ 49
including any interest due on the judgment for costs, any cost 50
incurred by the clerk in collecting the judgment for costs, and 51
any fee a public agency or private vendor charges the clerk 52

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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 first notice 65
requesting payment of the fees and costs as stated in the itemized 66
bill. If the person does not respond to the first 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
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 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

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commissioners, if the clerk of the court involved is the clerk of 116
a 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

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Section 2. That existing sections 1319.16, 2335.19, and 147
2335.24 of the Revised Code are hereby repealed. 148