

AN ACT

To amend sections 2329.66, 2716.02, 2716.03, 2716.05, 2716.11, 2716.13, and 3923.19 of the Revised Code to increase the exemptions for property that a debtor may hold exempt from execution, garnishment, attachment, or sale for the satisfaction of a judgment or order to reflect the higher exemptions available for such property under the United States Bankruptcy Code and to provide for automatic adjustments to those exemptions based on changes in the Consumer Price Index, to modify the garnishment procedure, and to expand the amount of benefits under sickness and accident insurance policies that are exempt from attachment and other process.

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

SECTION 1. That sections 2329.66, 2716.02, 2716.03, 2716.05, 2716.11, 2716.13, and 3923.19 of the Revised Code be amended to read as follows:

Sec. 2329.66. (A) Every person who is domiciled in this state may hold property exempt from execution, garnishment, attachment, or sale to satisfy a judgment or order, as follows:

(1)(a) In the case of a judgment or order regarding money owed for health care services rendered or health care supplies provided to the person or a dependent of the person, one parcel or item of real or personal property that the person or a dependent of the person uses as a residence. Division (A)(1)(a) of this section does not preclude, affect, or invalidate the creation under this chapter of a judgment lien upon the exempted property but only delays the enforcement of the lien until the property is sold or otherwise transferred by the owner or in accordance with other applicable laws to a person or entity other than the surviving spouse or surviving minor children of the judgment debtor. Every person who is domiciled in this state may hold exempt from a judgment lien created pursuant to division (A)(1)(a) of this section the person's interest, not to exceed ~~five~~ twenty thousand two

hundred dollars, in the exempted property.

(b) In the case of all other judgments and orders, the person's interest, not to exceed ~~five~~ twenty thousand two hundred dollars, in one parcel or item of real or personal property that the person or a dependent of the person uses as a residence.

(2) The person's interest, not to exceed ~~one~~ three thousand two hundred twenty-five dollars, in one motor vehicle;

(3) ~~The person's interest, not to exceed two hundred dollars in any particular item, in wearing apparel, beds, and bedding, and the person's interest, not to exceed three hundred dollars in each item, in one cooking unit and one refrigerator or other food preservation unit;~~

(4)(a) The person's interest, not to exceed four hundred dollars, in cash on hand, money due and payable, money to become due within ninety days, tax refunds, and money on deposit with a bank, savings and loan association, credit union, public utility, landlord, or other person. ~~Division (A)(4)(a) of this section applies only in bankruptcy proceedings. This exemption may include the portion of personal earnings that is not exempt under division (A)(13) of this section, other than personal earnings.~~

(b) ~~Subject to division (A)(4)(d) of this section, the~~ (4)(a) The person's interest, not to exceed ~~two~~ five hundred twenty-five dollars in any particular item or ten thousand seven hundred seventy-five dollars in aggregate value, in household furnishings, household goods, wearing apparel, appliances, books, animals, crops, musical instruments, firearms, and hunting and fishing equipment; that are held primarily for the personal, family, or household use of the person;

(c) ~~Subject to division (A)(4)(d) of this section, the~~ (b) The person's aggregate interest in one or more items of jewelry, not to exceed ~~four~~ one thousand three hundred fifty dollars in one item of jewelry and not to exceed two hundred dollars in every other item of jewelry;

(d) ~~Divisions (A)(4)(b) and (c) of this section do not include items of personal property listed in division (A)(3) of this section.~~

~~If the person does not claim an exemption under division (A)(1) of this section, the total exemption claimed under division (A)(4)(b) of this section shall be added to the total exemption claimed under division (A)(4)(c) of this section, and the total shall not exceed two thousand dollars. If the person claims an exemption under division (A)(1) of this section, the total exemption claimed under division (A)(4)(b) of this section shall be added to the total exemption claimed under division (A)(4)(c) of this section, and the total shall not exceed one thousand five hundred dollars, held primarily for the personal, family, or household use of the person or any of the person's~~

dependents.

(5) The person's interest, not to exceed an aggregate of ~~seven hundred fifty~~ two thousand twenty-five dollars, in all implements, professional books, or tools of the person's profession, trade, or business, including agriculture;

(6)(a) The person's interest in a beneficiary fund set apart, appropriated, or paid by a benevolent association or society, as exempted by section 2329.63 of the Revised Code;

(b) The person's interest in contracts of life or endowment insurance or annuities, as exempted by section 3911.10 of the Revised Code;

(c) The person's interest in a policy of group insurance or the proceeds of a policy of group insurance, as exempted by section 3917.05 of the Revised Code;

(d) The person's interest in money, benefits, charity, relief, or aid to be paid, provided, or rendered by a fraternal benefit society, as exempted by section 3921.18 of the Revised Code;

(e) The person's interest in the portion of benefits under policies of sickness and accident insurance and in lump sum payments for dismemberment and other losses insured under those policies, as exempted by section 3923.19 of the Revised Code.

(7) The person's professionally prescribed or medically necessary health aids;

(8) The person's interest in a burial lot, including, but not limited to, exemptions under section 517.09 or 1721.07 of the Revised Code;

(9) The person's interest in the following:

(a) Moneys paid or payable for living maintenance or rights, as exempted by section 3304.19 of the Revised Code;

(b) Workers' compensation, as exempted by section 4123.67 of the Revised Code;

(c) Unemployment compensation benefits, as exempted by section 4141.32 of the Revised Code;

(d) Cash assistance payments under the Ohio works first program, as exempted by section 5107.75 of the Revised Code;

(e) Benefits and services under the prevention, retention, and contingency program, as exempted by section 5108.08 of the Revised Code;

(f) Disability financial assistance payments, as exempted by section 5115.06 of the Revised Code;

(g) Payments under section 24 or 32 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended.

(10)(a) Except in cases in which the person was convicted of or pleaded

guilty to a violation of section 2921.41 of the Revised Code and in which an order for the withholding of restitution from payments was issued under division (C)(2)(b) of that section or in cases in which an order for withholding was issued under section 2907.15 of the Revised Code, and only to the extent provided in the order, and except as provided in sections 3105.171, 3105.63, 3119.80, 3119.81, 3121.02, 3121.03, and 3123.06 of the Revised Code, the person's right to a pension, benefit, annuity, retirement allowance, or accumulated contributions, the person's right to a participant account in any deferred compensation program offered by the Ohio public employees deferred compensation board, a government unit, or a municipal corporation, or the person's other accrued or accruing rights, as exempted by section 145.56, 146.13, 148.09, 742.47, 3307.41, 3309.66, or 5505.22 of the Revised Code, and the person's right to benefits from the Ohio public safety officers death benefit fund;

(b) Except as provided in sections 3119.80, 3119.81, 3121.02, 3121.03, and 3123.06 of the Revised Code, the person's right to receive a payment under any pension, annuity, or similar plan or contract, not including a payment from a stock bonus or profit-sharing plan or a payment included in division (A)(6)(b) or (10)(a) of this section, on account of illness, disability, death, age, or length of service, to the extent reasonably necessary for the support of the person and any of the person's dependents, except if all the following apply:

(i) The plan or contract was established by or under the auspices of an insider that employed the person at the time the person's rights under the plan or contract arose.

(ii) The payment is on account of age or length of service.

(iii) The plan or contract is not qualified under the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended.

(c) Except for any portion of the assets that were deposited for the purpose of evading the payment of any debt and except as provided in sections 3119.80, 3119.81, 3121.02, 3121.03, and 3123.06 of the Revised Code, the person's right in the assets held in, or to receive any payment under, any individual retirement account, individual retirement annuity, "Roth IRA," or education individual retirement account that provides benefits by reason of illness, disability, death, or age, to the extent that the assets, payments, or benefits described in division (A)(10)(c) of this section are attributable to any of the following:

(i) Contributions of the person that were less than or equal to the applicable limits on deductible contributions to an individual retirement account or individual retirement annuity in the year that the contributions

were made, whether or not the person was eligible to deduct the contributions on the person's federal tax return for the year in which the contributions were made;

(ii) Contributions of the person that were less than or equal to the applicable limits on contributions to a Roth IRA or education individual retirement account in the year that the contributions were made;

(iii) Contributions of the person that are within the applicable limits on rollover contributions under subsections 219, 402(c), 403(a)(4), 403(b)(8), 408(b), 408(d)(3), 408A(c)(3)(B), 408A(d)(3), and 530(d)(5) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.

(d) Except for any portion of the assets that were deposited for the purpose of evading the payment of any debt and except as provided in sections 3119.80, 3119.81, 3121.02, 3121.03, and 3123.06 of the Revised Code, the person's right in the assets held in, or to receive any payment under, any Keogh or "H.R. 10" plan that provides benefits by reason of illness, disability, death, or age, to the extent reasonably necessary for the support of the person and any of the person's dependents.

(11) The person's right to receive spousal support, child support, an allowance, or other maintenance to the extent reasonably necessary for the support of the person and any of the person's dependents;

(12) The person's right to receive, or moneys received during the preceding twelve calendar months from, any of the following:

(a) An award of reparations under sections 2743.51 to 2743.72 of the Revised Code, to the extent exempted by division (D) of section 2743.66 of the Revised Code;

(b) A payment on account of the wrongful death of an individual of whom the person was a dependent on the date of the individual's death, to the extent reasonably necessary for the support of the person and any of the person's dependents;

(c) Except in cases in which the person who receives the payment is an inmate, as defined in section 2969.21 of the Revised Code, and in which the payment resulted from a civil action or appeal against a government entity or employee, as defined in section 2969.21 of the Revised Code, a payment, not to exceed ~~five~~ twenty thousand two hundred dollars, on account of personal bodily injury, not including pain and suffering or compensation for actual pecuniary loss, of the person or an individual for whom the person is a dependent;

(d) A payment in compensation for loss of future earnings of the person or an individual of whom the person is or was a dependent, to the extent reasonably necessary for the support of the debtor and any of the debtor's

dependents.

(13) Except as provided in sections 3119.80, 3119.81, 3121.02, 3121.03, and 3123.06 of the Revised Code, personal earnings of the person owed to the person for services in an amount equal to the greater of the following amounts:

(a) If paid weekly, thirty times the current federal minimum hourly wage; if paid biweekly, sixty times the current federal minimum hourly wage; if paid semimonthly, sixty-five times the current federal minimum hourly wage; or if paid monthly, one hundred thirty times the current federal minimum hourly wage that is in effect at the time the earnings are payable, as prescribed by the "Fair Labor Standards Act of 1938," 52 Stat. 1060, 29 U.S.C. 206(a)(1), as amended;

(b) Seventy-five per cent of the disposable earnings owed to the person.

(14) The person's right in specific partnership property, as exempted by division (B)(3) of section 1775.24 of the Revised Code;

(15) A seal and official register of a notary public, as exempted by section 147.04 of the Revised Code;

(16) The person's interest in a tuition unit or a payment under section 3334.09 of the Revised Code pursuant to a tuition payment contract, as exempted by section 3334.15 of the Revised Code;

(17) Any other property that is specifically exempted from execution, attachment, garnishment, or sale by federal statutes other than the "Bankruptcy Reform Act of 1978," 92 Stat. 2549, 11 U.S.C.A. 101, as amended;

(18) The person's aggregate interest in any property, not to exceed ~~four hundred one thousand seventy-five dollars; in any property~~, except that division (A)(18) of this section applies only in bankruptcy proceedings.

(B) On April 1, 2010, and on the first day of April in each third calendar year after 2010, each dollar amount set forth in this section shall be adjusted, when determining the amount that is exempt from execution, garnishment, attachment, or sale pursuant to this section, to reflect the change in the consumer price index for all urban consumers, as published by the United States department of labor, or, if that index is no longer published, a generally available comparable index, for the three-year period ending on the thirty-first day of December of the preceding year. Any adjustments required by this division shall be rounded to the nearest twenty-five dollars.

(C) As used in this section:

(1) "Disposable earnings" means net earnings after the garnishee has made deductions required by law, excluding the deductions ordered pursuant to section 3119.80, 3119.81, 3121.02, 3121.03, or 3123.06 of the

Revised Code.

(2) "Insider" means:

(a) If the person who claims an exemption is an individual, a relative of the individual, a relative of a general partner of the individual, a partnership in which the individual is a general partner, a general partner of the individual, or a corporation of which the individual is a director, officer, or in control;

(b) If the person who claims an exemption is a corporation, a director or officer of the corporation; a person in control of the corporation; a partnership in which the corporation is a general partner; a general partner of the corporation; or a relative of a general partner, director, officer, or person in control of the corporation;

(c) If the person who claims an exemption is a partnership, a general partner in the partnership; a general partner of the partnership; a person in control of the partnership; a partnership in which the partnership is a general partner; or a relative in, a general partner of, or a person in control of the partnership;

(d) An entity or person to which or whom any of the following applies:

(i) The entity directly or indirectly owns, controls, or holds with power to vote, twenty per cent or more of the outstanding voting securities of the person who claims an exemption, unless the entity holds the securities in a fiduciary or agency capacity without sole discretionary power to vote the securities or holds the securities solely to secure to debt and the entity has not in fact exercised the power to vote.

(ii) The entity is a corporation, twenty per cent or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the person who claims an exemption or by an entity to which division ~~(B)~~(C)(2)(d)(i) of this section applies.

(iii) A person whose business is operated under a lease or operating agreement by the person who claims an exemption, or a person substantially all of whose business is operated under an operating agreement with the person who claims an exemption.

(iv) The entity operates the business or all or substantially all of the property of the person who claims an exemption under a lease or operating agreement.

(e) An insider, as otherwise defined in this section, of a person or entity to which division ~~(B)~~(C)(2)(d)(i), (ii), (iii), or (iv) of this section applies, as if the person or entity were a person who claims an exemption;

(f) A managing agent of the person who claims an exemption.

(3) "Participant account" has the same meaning as in section 148.01 of

the Revised Code.

(4) "Government unit" has the same meaning as in section 148.06 of the Revised Code.

~~(C)~~(D) For purposes of this section, "interest" shall be determined as follows:

(1) In bankruptcy proceedings, as of the date a petition is filed with the bankruptcy court commencing a case under Title 11 of the United States Code;

(2) In all cases other than bankruptcy proceedings, as of the date of an appraisal, if necessary under section 2329.68 of the Revised Code, or the issuance of a writ of execution.

An interest, as determined under division ~~(C)~~(D)(1) or (2) of this section, shall not include the amount of any lien otherwise valid pursuant to section 2329.661 of the Revised Code.

Sec. 2716.02. (A) Any person seeking an order of garnishment of personal earnings, after obtaining a judgment, shall make the following demand in writing for the excess of the amount of the judgment over the amount of personal earnings that may be exempt from execution, garnishment, attachment, or sale to satisfy a judgment or order, or for so much of the excess as will satisfy the judgment. The demand shall be made after the judgment is obtained and at least fifteen days and not more than forty-five days before the order is sought by delivering it to the judgment debtor by personal service by the court, by sending it to the judgment debtor by certified mail, return receipt requested, or by sending it to the judgment debtor by regular mail evidenced by a properly completed and stamped certificate of mailing by regular mail, addressed to the judgment debtor's last known place of residence.

The demand shall be in substantially the following form:

"NOTICE OF COURT PROCEEDING TO COLLECT DEBT

Date of mailing or date of service by the court

To:

(Name of Judgment Debtor)

.....

(Last Known Residence Address of Judgment Debtor)

You owe the undersigned (Name of Judgment Creditor) \$....., including interest and court costs, for which a judgment was obtained against you or certified in the court on, payment of which is hereby demanded.

If you do not do one of the three things listed below within fifteen days of the date of the mailing of this notice or of its service by the court, we will

go to court, unless we are otherwise precluded by law from doing so, and ask that your employer be ordered to withhold money from your earnings until the judgment is paid in full or, if applicable, is paid to a certain extent and to pay the withheld money to the court in satisfaction of your debt. This is called garnishment of personal earnings.

It is to your advantage to avoid garnishment of personal earnings because the placing of the extra burden on your employer possibly could cause you to lose your job.

YOU CAN AVOID THE GARNISHMENT BY DOING ONE OF THESE THREE THINGS WITHIN THE FIFTEEN-DAY PERIOD:

(1) Pay to us the amount due;

(2) Complete the attached form entitled "Payment to Avoid Garnishment" and return it to us with the payment, if any, shown due on it; or

(3) Apply to your local municipal or county court or, if you are not a resident of Ohio, to the municipal or county court in whose jurisdiction your place of employment is located, for the appointment of a trustee to receive the part of your earnings that is not exempt from garnishment, and notify us that you have applied for the appointment of a trustee. You will be required to list your creditors, the amounts of their claims, and the amounts due on their claims, and the amount you then will pay to your trustee each payday will be divided among them until the debts are paid off. This can be to your advantage because in the meantime none of those creditors can garnish your wages.

You also may contact a budget and debt counseling service described in division (D) of section 2716.03 of the Revised Code for the purpose of entering into an agreement for debt scheduling. There may not be enough time to set up an agreement for debt scheduling in order to avoid a garnishment of your wages based upon this demand for payment, but entering into an agreement for debt scheduling might protect you from future garnishments of your wages. Under an agreement for debt scheduling, you will have to regularly pay a portion of your income to the service until the debts subject to the agreement are paid off. This portion of your income will be paid by the service to your creditors who are owed debts subject to the agreement. This can be to your advantage because these creditors cannot garnish your wages while you make your payments to the service on time.

.....
(Name of Judgment Creditor)

.....
(Signature of Judgment Creditor)

or Judgment Creditor's Attorney)

.....
.....
.....

(Address of Judgment Creditor)

PAYMENT TO AVOID GARNISHMENT

To:

(Name of Judgment Creditor)

.....
.....

(Address of Judgment Creditor)

To avoid the garnishment of personal earnings of which you have given me notice, I enclose \$ to apply toward my indebtedness to you.

The amount of the payment was computed as follows:

1. Total amount of indebtedness demanded: (1) \$.....
2. Enter the amount of your personal earnings, after deductions required by law, earned by you during the current pay period (that is, the pay period in which this demand is received by you): (2) \$.....
3. (A) Enter your pay period (weekly, biweekly, semimonthly, monthly): (3)(A)
- (B) Enter the date when your present pay period ends: (3)(B)
4. Enter an amount equal to 25% of the amount on line (2): (4)
5. (A) The current federal minimum hourly wage is (to be filled in by Judgment Creditor) (You should use the above figure to complete this portion of the form.)
If you are paid weekly, enter thirty times the current federal minimum hourly wage; if paid biweekly, enter sixty times the current federal minimum hourly wage; if paid semimonthly, enter sixty-five times the current federal minimum hourly wage; if paid monthly, enter one hundred thirty times the current federal minimum hourly wage: (5)(A)
- (B) Enter the amount by which the amount on

line (2) exceeds the amount on line 5(A): (5)(B)

6. Enter the smallest of the amounts on line (1), (4), or 5(B). Send this amount to the judgment creditor along with this form after you have signed it: (6) \$.....

I certify that the statements contained above are true to the best of my knowledge and belief.

.....
 (Signature of Judgment Debtor)

.....

 (Print Name and Residence Address
 of Judgment Debtor)

(To verify that the amount shown on line (2) is a true statement of your earnings, you must either have your employer certify below that the amount shown on line (2) is a true statement of your earnings or you may submit copies of your pay stubs for the two pay periods immediately prior to your receiving this notice.)

I certify that the amount shown on line (2) is a true statement of the judgment debtor's earnings.

.....
 (Print Name of Employer)

.....
 (Signature of Employer or Agent)

I certify that I have attached copies of my pay stubs for the two pay periods immediately prior to my receiving this notice.

.....
 (Signature of Judgment Debtor)"

(B) If a judgment debtor properly completes a payment to avoid garnishment and returns it with the required funds to the judgment creditor or the judgment creditor's attorney, the judgment creditor or the judgment creditor's attorney who issued the notice of court proceeding to collect debt may not issue another notice of court proceeding to collect debt to the judgment debtor until the expiration date of the judgment debtor's present pay period that is set forth by the judgment debtor and the judgment debtor's employer in the answer to (3)(B) in the payment to avoid garnishment.

(C) If an order of garnishment of personal earnings issued pursuant to this chapter has not been paid in full when it ceases to remain in effect because of the operation of division (C)(1) of section 2716.041 of the

Revised Code, the garnishee's duties under the order of garnishment are complete with the filing of the final report and answer of the garnishee. The judgment creditor must institute new garnishment proceedings if the judgment creditor wants an additional garnishment.

Sec. 2716.03. (A) Subject to the limitation on the commencement of proceedings contained in division (B) of section 124.10 of the Revised Code, a proceeding in garnishment of personal earnings may be commenced after a judgment has been obtained by a judgment creditor by the filing of an affidavit in writing made by the judgment creditor or the judgment creditor's attorney setting forth all of the following:

(1) The name of the judgment debtor whose personal earnings the judgment creditor seeks to garnish;

(2) ~~That the affiant has good reason to believe and does believe that the person, partnership, limited liability company, or corporation named in the affidavit as the garnishee is~~ The name and address of the garnishee who may be an employer of the judgment debtor and who may have personal earnings of the judgment debtor that are not exempt under section 2329.66 of the Revised Code;

(3) That the demand in writing, as required by section 2716.02 of the Revised Code, has been made;

(4) That the payment demanded in the notice required by section 2716.02 of the Revised Code has not been made, and a sufficient portion of the payment demanded has not been made to prevent the garnishment of personal earnings as described in section 2716.02 of the Revised Code;

(5) That the affiant has no knowledge of any application by the judgment debtor for the appointment of a trustee so as to preclude the garnishment of the judgment debtor's personal earnings;

(6) That the affiant has no knowledge that the debt to which the affidavit pertains is the subject of a debt scheduling agreement of a nature that precludes the garnishment of the personal earnings of the judgment debtor under division (B) of this section.

(B) No proceeding in garnishment of personal earnings shall be brought against a judgment debtor for the collection of a debt that is the subject of an agreement for debt scheduling between the judgment debtor and a budget and debt counseling service, unless any payment to be made by the judgment debtor, or by a budget and debt counseling service to the judgment creditor under the agreement for debt scheduling between the judgment debtor and the budget and debt counseling service, is due and unpaid for more than forty-five days after the date on which the payment became due, or unless the judgment creditor previously was notified by the service that

the debt scheduling agreement between the judgment debtor and the service was terminated.

(C) Upon a court's issuance of an order of garnishment of personal earnings following a judgment creditor's filing of an affidavit under this section and compliance with section 2716.04 of the Revised Code, the garnishee and the judgment debtor shall be notified of the proceeding in garnishment of personal earnings in accordance with sections 2716.05 and 2716.06 of the Revised Code.

(D) As used in this chapter:

(1) A "budget and debt counseling service" or "service" means a corporation organized under Chapter 1702. of the Revised Code for the purpose of counseling consumers with respect to their financial obligations and assisting them in dealing with their creditors.

(2) "Debt scheduling" means counseling and assistance provided to a consumer by a budget and debt counseling service under all of the following circumstances:

(a) The counseling and assistance is manifested in an agreement between the consumer and the service under which the consumer regularly pays that portion of the consumer's income to the service that has been determined not to be required for the maintenance of health or the essentials of life.

(b) The payments are made to the service until the debts of the consumer that are the subject of the agreement are fully retired.

(c) The service has sent written notice, by certified mail, return receipt requested, or by regular mail evidenced by a properly completed and stamped certificate of mailing by regular mail, to the creditors of the consumer that are disclosed by the consumer to the service. The notice shall contain all of the following:

(i) A statement of the consumer's intent to participate in debt scheduling;

(ii) A summary of the consumer's income, proposed itemized budget, schedule of creditors, and proposed debt retirement plan;

(iii) A statement of the particular creditor's duty to respond, in writing, to the service regarding the consumer's participation in debt scheduling within fifteen days after receiving the notice.

(d) The debts of the consumer that are the subject of the agreement for debt scheduling are determined as follows:

(i) Any debt owed to a creditor that was notified of the consumer's intent to participate is a subject of the agreement if the creditor responds to the service and enters into an agreement with the service, pursuant to which the

creditor agrees not to attempt to collect the debts of the consumer as long as the consumer regularly pays to the service the amount previously agreed upon by the service and the consumer, and no payment to be made by the judgment debtor to the service or by the service to the creditor is due and unpaid for more than forty-five days after the date on which the payment became due, as long as the debt scheduling agreement between the consumer and the service has not been terminated, and as long as the service regularly pays to the creditor a mutually acceptable amount that is either the amount agreed upon by the service and the creditor on the date they entered into their original agreement or an amount agreed upon by both the service and the creditor on a date after the date of the original agreement.

(ii) Any debt owed to a creditor that was notified of the consumer's intent to participate is a subject of the agreement if the creditor does not respond to the service and state the creditor's objection, in writing, to the consumer's participation in debt scheduling within fifteen days after receiving notice of the consumer's intention to do so; however, no debt that is subject to a lien or security interest of any type, other than a judgment lien or execution lien, shall be a subject of the agreement unless the creditor specifically assents, in writing, to the debt being a subject of the agreement. The creditor shall be considered to have entered into an agreement of the type described in division (D)(2)(d)(i) of this section, and the amount to be regularly paid by the service to the creditor shall be an amount determined to be reasonable by the service or an amount agreed upon by both the service and the creditor on a date after the expiration of the fifteen-day period.

(iii) Any debt owed to a creditor that was not notified of the consumer's intent to participate, or a debt owed to a creditor that was notified of the consumer's intent to participate and that responded to the service and stated its objection, in writing, to the consumer's participation in debt scheduling within fifteen days after receiving notice of the consumer's intention to do so, is not a subject of the agreement.

(e) The service agrees that, if the consumer fails to make a payment under the agreement within forty-five days of its due date or if the agreement is terminated, the service will notify each creditor that is owed a debt that is subject to the agreement of the failure or termination by regular mail within two business days of the failure or termination, and the service provides that notice in accordance with the agreement.

Sec. 2716.05. The garnishee shall be served, in the same manner as a summons is served, with three copies of the order of garnishment of personal earnings and of a written notice that the garnishee answer as

provided in division (E) of section 2716.041 of the Revised Code, this section, and section 2716.21 of the Revised Code and with the garnishee's fee required by section 2716.04 of the Revised Code. The garnishee also shall be served, at that time, with two copies of the notice to the judgment debtor form and of the request for hearing form described in section 2716.06 of the Revised Code, one copy of the interim report and answer form described in section 2716.07 of the Revised Code, one copy of the employer guide to processing continuous orders of garnishment, and one copy of the final report and answer form described in section 2716.08 of the Revised Code.

A court of common pleas or municipal or county court that issues an order of garnishment of personal earnings has jurisdiction to serve process pursuant to this section upon a garnishee who does not reside within the territorial jurisdiction of the court. If the garnishee does not reside within the territorial jurisdiction of the court that issued the order, the process may be served upon the garnishee by the proper officer of the county in which the garnishee resides or may be served upon the garnishee by personal service by the court, by sending it to the garnishee by certified mail, return receipt requested, or by sending it to the garnishee by regular mail evidenced by a properly completed and stamped certificate of mailing by regular mail.

The order of garnishment of personal earnings shall bind the personal earnings of the judgment debtor due from the garnishee at the time of service in accordance with this section. The order of garnishment of personal earnings and notice to answer shall be in substantially the following form:

"ORDER AND NOTICE OF GARNISHMENT
AND ANSWER OF EMPLOYER

Docket No.
Case No.
In the Court
....., Ohio

The State of Ohio
County of, ss
....., Judgment Creditor

vs.

....., Judgment Debtor

SECTION A. COURT ORDER AND NOTICE OF GARNISHMENT

To:, Garnishee

The judgment creditor in the above case has filed an affidavit, satisfactory to the undersigned, in this court stating that you may owe the

judgment debtor money for personal earnings ~~and that some of that money may not be exempt from garnishment under the laws of the State of Ohio or the laws of the United States.~~

You are therefore ordered to complete the "ANSWER OF EMPLOYER (GARNISHEE)" in section B of this form. Return one completed and signed copy of this form to the clerk of this court within five (5) business days after you receive this order of garnishment. Deliver one completed and signed copy of this form and the accompanying documents entitled "NOTICE TO THE JUDGMENT DEBTOR" and "REQUEST FOR HEARING" to the judgment debtor. Keep the other completed and signed copy of this form for your files.

(The total probable amount now due on this judgment is \$.....
The total probable amount now due includes the unpaid portion of the judgment in favor of the judgment creditor, which is \$.....; interest on that judgment and, if applicable, prejudgment interest relative to that judgment at the rate of% per annum payable until that judgment is satisfied in full; and court costs in the amount of \$.....)

This order of garnishment of personal earnings is a continuous order that generally requires you to withhold a specified amount, calculated each pay period at the statutory percentage, of the judgment debtor's personal disposable earnings during each pay period, as determined in accordance with the "INTERIM REPORT AND ANSWER OF GARNISHEE," from the judgment debtor's personal disposable earnings during each pay period of the judgment debtor commencing with the first full pay period beginning after you receive the order until the judgment in favor of the judgment creditor and the associated court costs, judgment interest, and, if applicable, prejudgment interest awarded to the judgment creditor as described above have been paid in full. You generally must pay that specified amount, calculated each pay period at the statutory percentage, to the clerk of this court within thirty (30) days after the end of each pay period of the judgment debtor and must include with that specified amount calculated each pay period at the statutory percentage an "INTERIM REPORT AND ANSWER OF GARNISHEE" substantially in the form set forth in section 2716.07 of the Ohio Revised Code. A copy of the "INTERIM REPORT AND ANSWER OF GARNISHEE" is attached to this order of garnishment of personal earnings, and you may photocopy it to use each time you pay the specified amount to the clerk of this court. You are permitted to deduct a processing fee of up to three dollars from the judgment debtor's personal disposable earnings for any pay period of the judgment debtor that an amount was withheld for that order (the processing fee is not a part of the

court costs). You are not required to file with the court the "INTERIM REPORT AND ANSWER OF GARNISHEE" for any pay period of the judgment debtor for which an amount from the judgment debtor's personal disposable earnings during that pay period was not withheld for that order.

This order of garnishment of personal earnings generally will remain in effect until one of the following occurs:

(1) The total probable amount due on the judgment as described above is paid in full as a result of your withholding of the specified amount, calculated each pay period at the statutory percentage, from the judgment debtor's personal disposable earnings during each pay period of the judgment debtor that commenced with the first full pay period beginning after you received the order.

(2) The judgment creditor or the judgment creditor's attorney files with this court a written notice that the total probable amount due on the judgment as described above has been satisfied or the judgment creditor or the judgment creditor's attorney files a written request to terminate this order of garnishment and release you from the mandate of this order of garnishment.

(3) A municipal or county court appoints a trustee for the judgment debtor and issues to you an order that stays this order of garnishment of personal earnings.

(4) A federal bankruptcy court issues to you an order that stays this order of garnishment of personal earnings.

(5) A municipal or county court or a court of common pleas issues to you another order of garnishment of personal earnings that relates to the judgment debtor and a different judgment creditor, and Ohio or federal law provides the other order with a higher priority than this order.

(6) A municipal or county court or a court of common pleas issues to you another order of garnishment of personal earnings that relates to the judgment debtor and a different judgment creditor and that does not have a higher priority than this order.

(7) The judgment creditor or the judgment creditor's attorney files with this court a written request to terminate and release the order of garnishment, and as a result, the order of garnishment will cease to remain in effect.

Under any of the circumstances listed above, you are required to file with this court a "FINAL REPORT AND ANSWER OF GARNISHEE" substantially in the form set forth in section 2716.08 of the Ohio Revised Code. A copy of the "FINAL REPORT AND ANSWER OF GARNISHEE" is attached to this order of garnishment of personal earnings. Under the

circumstances listed in (5) and (6) above, you must cease processing this order of garnishment after the expiration of the full pay period within which the one hundred eighty-second (182) day after you began processing it falls.

Special stacking, priority of payment, and manner of payment rules apply when a garnishee receives multiple orders of garnishment with respect to the same judgment debtor. These rules are set forth in section 2716.041 of the Ohio Revised Code. An employer guide to processing continuous orders of garnishment is included with this order of garnishment. You should become familiar with these rules.

Witness my hand and the seal of this court this day of,

.....
Judge

SECTION B. ANSWER OF EMPLOYER (GARNISHEE)

(An employer is one who is required to withhold payroll taxes out of payments of personal earnings made to the judgment debtor.)

(Answer all pertinent questions)

Now comes, the employer (garnishee) herein, who says:

1. This order of garnishment of personal earnings was received on
Yes No
2. The judgment debtor is in my/our employ.
If answer is "No," give date of last employment. (2)
Yes No
3. (A) Is the debt to which this order of garnishment of personal earnings pertains the subject of an existing agreement for debt scheduling between the judgment debtor and a budget and debt counseling service and has the judgment debtor made every payment that was due under the agreement for debt scheduling no later than forty-five days after the date on which the payment was due?
If the answer to both parts of this question is "Yes," give all available details of the agreement, sign this form, and return it to the court. 3(A).....

.....
.....

Yes No

(B) Were you, on the date that you received this order of garnishment of personal earnings, withholding moneys from the judgment debtor's personal disposable earnings pursuant to another order of garnishment of personal earnings that Ohio or federal law provides with a higher priority than this order of garnishment of personal earnings (such as a support order or Internal Revenue ~~service~~ Service levy)?

.....

If the answer to this question is "Yes," give the name of the court that issued the higher priority order, the associated case number, the date upon which you received that order, and the balance due to the relevant judgment creditor under that order.

3(B).....

.....

Yes No

(C) Did you receive prior to the date that you received this order of garnishment of personal earnings one or more other orders of garnishment of personal earnings that are not described in question 3(B), and are you currently processing one or more of those orders for the statutorily required time period or holding one or more of those orders for processing for a statutorily required period in the sequence of their receipt by you?

.....

If the answer to this question is "Yes," give the name of the court that issued each of those previously received orders, the associated case

numbers, the date upon which you received each of those orders, and the balance due to the relevant judgment creditor under each of those orders. List first the previously received order(s) that you are currently processing, and list each of the other previously received orders in the sequence that you are required to process them.

3(C).....

.....
.....
.....

I certify that the statements above are true.

.....
(Print Name of Employer)

.....
(Print Name and Title of
Person Who Completed Form on
behalf of the Employer)

Signed
(Signature of Employer or Employer's Agent)

Dated this day of,"

Section A of the form described in this section shall be completed before service. Section B of the form shall be completed by the garnishee, and the garnishee shall file one completed and signed copy of the form with the clerk of the court as the garnishee's answer. The garnishee may keep one completed and signed copy of the form and shall deliver the other completed and signed copy of the form to the judgment debtor not later than the time that the garnishee otherwise would pay the judgment debtor the personal earnings that the garnishee instead is paying to the court. The garnishee also shall deliver at that time the two copies of the notice to the judgment debtor form and of the request for hearing form described in section 2716.06 of the Revised Code that were served on the garnishee.

No employer shall discharge an employee solely because of the successful garnishment of the employee's personal earnings by only one judgment creditor in any twelve-month period.

If several affidavits seeking orders of garnishment of personal earnings are filed against the same judgment debtor in accordance with section 2716.03 of the Revised Code, the court involved shall issue the requested

orders in the same order in which the clerk received the associated affidavits.

The garnishee also shall be served with a copy of the employer guide to processing continuous orders of garnishment at the same time that the forms as provided in this section are served upon the garnishee.

Sec. 2716.11. A proceeding for garnishment of property, other than personal earnings, may be commenced after a judgment has been obtained by a judgment creditor by the filing of an affidavit in writing made by the judgment creditor or the judgment creditor's attorney setting forth all of the following:

(A) The name of the judgment debtor whose property, ~~other than personal earnings~~, the judgment creditor seeks to garnish;

~~(B) That the affiant has a reasonable basis to believe that the person named in the affidavit as the garnishee may have property, other than personal earnings, of the judgment debtor that is not exempt under the law of this state or the United States;~~

~~(C) A description of the property;~~

(C) The name and address of the garnishee who may have in the garnishee's hands or control money, property, or credits, other than personal earnings, of the judgment debtor.

Sec. 2716.13. (A) Upon the filing of a proceeding in garnishment of property, other than personal earnings, under section 2716.11 of the Revised Code, the court shall cause the matter to be set for hearing within twelve days after that filing.

(B) Upon the scheduling of a hearing relative to a proceeding in garnishment of property, other than personal earnings, under division (A) of this section, the clerk of the court immediately shall issue to the garnishee three copies of the order of garnishment of property, other than personal earnings, and of a written notice that the garnishee answer as provided in section 2716.21 of the Revised Code and the garnishee's fee required by section 2716.12 of the Revised Code. The copies of the order and of the notice shall be served upon the garnishee in the same manner as a summons is served and the clerk shall also mail a copy of the order and notice of garnishment to the garnishee by ordinary or regular mail service. The copies of the order and of the notice shall not be served later than seven days prior to the date on which the hearing is scheduled. The order shall bind the property in excess of four hundred dollars, other than personal earnings, of the judgment debtor in the possession of the garnishee at the time of service. Any garnishee that garnishes the property, other than personal earnings, of a judgment debtor in good faith reliance upon the order and notice of

garnishment received by ordinary or regular mail service shall not be liable for damages in any civil action.

The order of garnishment of property, other than personal earnings, and notice to answer shall be in substantially the following form:

"ORDER AND NOTICE OF GARNISHMENT
OF PROPERTY OTHER THAN PERSONAL EARNINGS
AND ANSWER OF GARNISHEE

Docket No.

Case No.

In the Court

....., Ohio

The State of Ohio

County of, ss

....., Judgment Creditor

vs.

....., Judgment Debtor

SECTION A. COURT ORDER AND NOTICE OF GARNISHMENT

To:, Garnishee

The judgment creditor in the above case has filed an affidavit, satisfactory to the undersigned, in this Court stating that you may have money, property, or credits, other than personal earnings, in your hands or under your control that belong to the judgment debtor, ~~and that some of the money, property, or credits may not be exempt from garnishment under the laws of the State of Ohio or the laws of the United States.~~

You are therefore ordered to complete the "ANSWER OF GARNISHEE" in section (B) of this form. Return one completed and signed copy of this form to the clerk of this court together with the amount determined in accordance with the "ANSWER OF GARNISHEE" by the following date on which a hearing is tentatively scheduled relative to this order of garnishment: Deliver one completed and signed copy of this form to the judgment debtor prior to that date. Keep the other completed and signed copy of this form for your files.

The total probable amount now due on this judgment is \$..... The total probable amount now due includes the unpaid portion of the judgment in favor of the judgment creditor, which is \$.....; interest on that judgment and, if applicable, prejudgment interest relative to that judgment at the rate of% per annum payable until that judgment is satisfied in full; and court costs in the amount of \$.....

You also are ordered to hold safely anything of value that belongs to the judgment debtor and that has to be paid to the court, as determined under the

before service. Section B of the form shall be completed by the garnishee, and the garnishee shall file one completed and signed copy of the form with the clerk of the court as the garnishee's answer. The garnishee may keep one completed and signed copy of the form and shall deliver the other completed and signed copy of the form to the judgment debtor.

If several affidavits seeking orders of garnishment of property, other than personal earnings, are filed against the same judgment debtor in accordance with section 2716.11 of the Revised Code, the court involved shall issue the requested orders in the same order in which the clerk received the associated affidavits.

(C)(1) At the time of the filing of a proceeding in garnishment of property, other than personal earnings, under section 2716.11 of the Revised Code, the judgment creditor also shall file with the clerk of the court a praecipe instructing the clerk to issue to the judgment debtor a notice to the judgment debtor form and a request for hearing form. Upon receipt of the praecipe and the scheduling of a hearing relative to an action in garnishment of property, other than personal earnings, under division (A) of this section, the clerk of the court immediately shall serve upon the judgment debtor, in accordance with division (D) of this section, two copies of the notice to the judgment debtor form and of the request for hearing form. The copies of the notice to the judgment debtor form and of the request for hearing form shall not be served later than seven days prior to the date on which the hearing is scheduled.

(a) The notice to the judgment debtor that must be served upon the judgment debtor shall be in substantially the following form:

"(Name and Address of the Court)

(Case Caption) Case No.

NOTICE TO THE JUDGMENT DEBTOR

You are hereby notified that this court has issued an order in the above case in favor of (name and address of judgment creditor), the judgment creditor in this proceeding, directing that some of your money in excess of four hundred dollars, property, or credits, other than personal earnings, that now may be in the possession of (name and address of garnishee), the garnishee in this proceeding, be used to satisfy your debt to the judgment creditor. This order was issued on the basis of the judgment creditor's judgment against you that was obtained in (name of court) in (case number) on (date). Upon your receipt of this notice, you are prohibited from removing or attempting to remove the money, property, or credits until expressly permitted by the court. Any violation of this prohibition subjects you to punishment for contempt of court.

The law of Ohio and the United States provides that certain benefit payments cannot be taken from you to pay a debt. Typical among the benefits that cannot be attached or executed upon by a creditor are the following:

- (1) Workers' compensation benefits;
- (2) Unemployment compensation payments;
- (3) Cash assistance payments under the Ohio works first program;
- (4) Benefits and services under the prevention, retention, and contingency program;
- (5) Disability financial assistance administered by the Ohio department of job and family services;
- (6) Social security benefits;
- (7) Supplemental security income (S.S.I.);
- (8) Veteran's benefits;
- (9) Black lung benefits;
- (10) Certain pensions.

There may be other benefits not included in the above list that apply in your case.

If you dispute the judgment creditor's right to garnish your property and believe that the judgment creditor should not be given your money, property, or credits, other than personal earnings, now in the possession of the garnishee because they are exempt or if you feel that this order is improper for any other reason, you may request a hearing before this court by disputing the claim in the request for hearing form, appearing below, or in a substantially similar form, and delivering the request for hearing to this court at the above address, at the office of the clerk of this court no later than the end of the fifth business day after you receive this notice. You may state your reasons for disputing the judgment creditor's right to garnish your property in the space provided on the form; however, you are not required to do so. If you do state your reasons for disputing the judgment creditor's right, you are not prohibited from stating any other reason at the hearing. If you do not state your reasons, it will not be held against you by the court, and you can state your reasons at the hearing. **NO OBJECTIONS TO THE JUDGMENT ITSELF WILL BE HEARD OR CONSIDERED AT THE HEARING.** If you request a hearing, the hearing will be limited to a consideration of the amount of your money, property, or credits, other than personal earnings, in the possession or control of the garnishee, if any, that can be used to satisfy all or part of the judgment you owe to the judgment creditor.

If you request a hearing by delivering your request for hearing no later

than the end of the fifth business day after you receive this notice, it will be conducted in courtroom, (address of court), at m. on, You may request the court to conduct the hearing before this date by indicating your request in the space provided on the form; the court then will send you notice of any change in the date, time, or place of the hearing. If you do not request a hearing by delivering your request for a hearing no later than the end of the fifth business day after you receive this notice, some of your money, property, or credits, other than personal earnings, will be paid to the judgment creditor.

If you have any questions concerning this matter, you may contact the office of the clerk of this court. If you want legal representation, you should contact your lawyer immediately. If you need the name of a lawyer, contact the local bar association.

.....
Clerk of the Court
.....
Date"

(b) The request for hearing form that must be served upon the judgment debtor shall have attached to it a postage-paid, self-addressed envelope or shall be on a postage-paid self-addressed postcard, and shall be in substantially the following form:

Case Number Date
"(Name and Address of Court)

REQUEST FOR HEARING

I dispute the judgment creditor's right to garnish my money, property, or credits, other than personal earnings, in the above case and request that a hearing in this matter be held

.....
(Insert "on" or "earlier than")
the date and time set forth in the document entitled "NOTICE TO THE JUDGMENT DEBTOR" that I received with this request form.

I dispute the judgment creditor's right to garnish my property for the following reasons:

.....
(Optional)
.....
.....

I UNDERSTAND THAT NO OBJECTIONS TO THE JUDGMENT ITSELF WILL BE HEARD OR CONSIDERED AT THE HEARING.

.....

(Name of Judgment Debtor)

.....

(Signature)

.....

(Date)

WARNING: IF YOU DO NOT DELIVER THIS REQUEST FOR HEARING OR A REQUEST IN A SUBSTANTIALLY SIMILAR FORM TO THE OFFICE OF THE CLERK OF THIS COURT WITHIN FIVE (5) BUSINESS DAYS OF YOUR RECEIPT OF IT, YOU WAIVE YOUR RIGHT TO A HEARING AND SOME OF YOUR MONEY, PROPERTY, OR CREDITS, OTHER THAN PERSONAL EARNINGS, NOW IN THE POSSESSION OF (GARNISHEE'S NAME) WILL BE PAID TO (JUDGMENT CREDITOR'S NAME) TO SATISFY SOME OF YOUR DEBT TO (JUDGMENT CREDITOR'S NAME)."

(2) The judgment debtor may receive a hearing in accordance with this division by delivering a written request for hearing to the court within five business days after receipt of the notice provided pursuant to division (C)(1) of this section. The request may set forth the judgment debtor's reasons for disputing the judgment creditor's right to garnish the money, property, or credits, other than personal earnings; however, neither the judgment debtor's inclusion of nor failure to include those reasons upon the request constitutes a waiver of any defense of the judgment debtor or affects the judgment debtor's right to produce evidence at the hearing. If the request is made by the judgment debtor within the prescribed time, the hearing shall be limited to a consideration of the amount of money, property, or credits, other than personal earnings, of the judgment debtor in the hands of the garnishee, if any, that can be used to satisfy all or part of the debt owed by the judgment debtor to the judgment creditor. If a request for a hearing is not received by the court within the prescribed time, the hearing scheduled pursuant to division (A) of this section shall be canceled unless the court grants the judgment debtor a continuance in accordance with division (C)(3) of this section.

(3) If the judgment debtor does not request a hearing in the action within the prescribed time pursuant to division (C)(2) of this section, the court nevertheless may grant a continuance of the scheduled hearing if the judgment debtor, prior to the time at which the hearing was scheduled, as indicated on the notice to the judgment debtor required by division (C)(1) of this section, establishes a reasonable justification for failure to request the hearing within the prescribed time. If the court grants a continuance of the hearing, it shall cause the matter to be set for hearing as soon as practicable

thereafter. The continued hearing shall be conducted in accordance with division (C)(2) of this section.

(4) The court may conduct the hearing on the matter prior to the time at which the hearing was scheduled, as indicated on the notice to the judgment debtor required by division (C)(1) of this section, upon the request of the judgment debtor. The parties shall be sent notice, by the clerk of the court, by regular mail, of any change in the date, time, or place of the hearing.

(5) If the scheduled hearing is canceled and no continuance is granted, the court shall issue an order to the garnishee to pay all or some of the money, property, or credits, other than personal earnings, of the judgment debtor in the possession of the garnishee at the time of service of the notice and order into court if they have not already been paid to the court. This order shall be based on the answer of the garnishee filed pursuant to this section. If the scheduled hearing is conducted or if it is continued and conducted, the court shall determine at the hearing the amount of the money, property, or credits, other than personal earnings, of the judgment debtor in the possession of the garnishee at the time of service of the notice and order, if any, that can be used to satisfy all or part of the debt owed by the judgment debtor to the judgment creditor, and issue an order, accordingly, to the garnishee to pay that amount into court if it has not already been paid to the court.

(D) The notice to the judgment debtor form and the request for hearing form described in division (C) of this section shall be sent by the clerk by ordinary or regular mail service unless the judgment creditor requests that service be made in accordance with the Rules of Civil Procedure, in which case the forms shall be served in accordance with the Rules of Civil Procedure. Any court of common pleas that issues an order of garnishment of property, other than personal earnings, under this section has jurisdiction to serve process pursuant to this section upon a garnishee who does not reside within the jurisdiction of the court. Any county court or municipal court that issues an order of garnishment of property, other than personal earnings, under this section has jurisdiction to serve process pursuant to this section upon a garnishee who does not reside within the jurisdiction of the court.

Sec. 3923.19. ~~The portion of any benefits~~ (A) Benefits under all policies of sickness and accident insurance ~~as does not exceed six hundred dollars for each month during any period of disability covered by the policies, is~~ are not liable to attachment or other process, or to be taken, appropriated, or applied by any legal or equitable process or by operation of law, either before or after payment of the benefits, to pay any liabilities of the person

~~insured under any such policy. This exemption does not apply if an action is brought to recover for necessities contracted for during the period of disability, and if the complaint contains a statement to that effect to the extent that the benefits are reasonably necessary for the support of the debtor and any dependents of the debtor.~~

When a policy provides for a lump sum payment because of a dismemberment or other loss insured, the payment is exempt from execution by the insured's creditors.

(B)(1) A payment under a stock bonus, pension, profitsharing, annuity, or similar plan or contract on account of illness, disability, death, age, or length of service, to the extent reasonably necessary for the support of the person who is the beneficiary of the plan or party to the contract and any dependents of the person, is not liable to attachment or other process, or to be taken, appropriated, or applied by any legal or equitable process or by operation of law, either before or after payment of the benefits, to pay any liabilities of the person unless all of the following apply:

(a) The plan or contract was established by or under the auspices of an insider that employed the person at the time the person's rights under the plan or contract arose.

(b) The payment is on account of age or length of service.

(c) The plan or contract does not qualify under section 401(a), 403(a), 403(b), or 408 of the Internal Revenue Code of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended.

(2) When a plan or contract provides for a lump sum payment because of a dismemberment or other loss covered by the plan or contract, the payment is exempt from execution by the person's creditors.

SECTION 2. That existing sections 2329.66, 2716.02, 2716.03, 2716.05, 2716.11, 2716.13, and 3923.19 of the Revised Code are hereby repealed.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

Sub. S. B. No. 281

127th G.A.

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 _____