



# Ohio Legislative Service Commission

## Sub. Bill Comparative Synopsis

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### Sub. H.B. 291 131st General Assembly (H. Judiciary)

This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Topic	Previous Version (LSC 131 1134-2)	Sub. Version (LSC 131 1134-7)
<b>Confession of judgment</b>	Allows confession of judgment only for nonpayment of principal and interest under the terms of an instrument of indebtedness ( <i>R.C. 2323.13(A)</i> ).	Allows confession of judgment only for monetary default under the terms of an instrument of indebtedness ( <i>R.C. 2323.13(A)</i> ).
<b>Monetary default</b>	No provision.	Defines "monetary default" as failure to make payments due under the terms of an instrument of indebtedness as originally agreed to, amended, or modified by the parties ( <i>R.C. 2323.13(H)</i> ).
<b>Creditor's notice prior to judgment</b>	Except when the defendant signed a warrant of attorney as part of a settlement, requires the creditor's attorney to send the defendant written notice of the filing of a petition for judgment by certified mail, return receipt requested, prior to an entry of judgment ( <i>R.C. 2323.13(C)(2)</i> ).	Except when the defendant signed a warrant of attorney as part of a settlement, requires the creditor's attorney to send the defendant written notice by mail, return receipt requested, at least 30 days before filing a petition for judgment that the defendant is in monetary default and the attorney may take legal action if payment is not

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		received by the thirtieth day after the notice is mailed (R.C. 2323.13(C)(1)).
<b>Proof of compliance with notice requirements</b>	Requires the creditor's attorney to notify the court of the date the notice required in the previous row was sent to the defendant (R.C. 2323.13(C)(2)).	Requires the creditor's attorney to provide proof of compliance with the provision of notice required in the previous row, if applicable, in the petition for judgment (R.C. 2323.13(C)(2)).
<b>Time of judgment</b>	<p>If the creditor's notice to the defendant is returned as undeliverable, permits entry of judgment on or after the thirtieth day after notice was sent (R.C. 2323.13(D)(1)).</p> <p>If the return receipt indicates the notice was delivered, prohibits entry of judgment before the thirty-first day after delivery or, if a hearing is held, the conclusion of the hearing (R.C. 2323.13(D)(1)).</p>	<p>No provision.</p> <p>No provision.</p>
<b>Defendant may request hearing</b>	Within 30 days after the defendant receives notice that the creditor has filed a petition for judgment by confession, permits the defendant to request, in writing, a hearing to determine whether the defendant has defaulted in the payment of principal and interest (R.C. 2323.13(D)(2)).	Within 30 days after the defendant receives notice that the court has entered a judgment under the terms of the bill, or within 30 days after the entry of judgment if the notice is mailed and returned as undeliverable, permits the defendant to request, by motion to the court in writing, a hearing to determine whether the defendant has defaulted in the payments due under the terms of the instrument of indebtedness (R.C. 2323.13(D) and (E)(1)).
<b>Notice of entry of judgment</b>	Immediately upon entering any judgment under the terms of the bill, requires the court to notify the defendant of the entry of the judgment by personal service or by registered or certified letter (R.C. 2323.13(E)).	Immediately upon entering any judgment under the terms of the bill, requires the court to notify the defendant of the entry of the judgment and of the defendant's right to a hearing under the terms of the bill by personal service or by registered or certified letter (R.C. 2323.13(D)).

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<b>Relief available</b>	<p>If the court determines after a hearing that the creditor has not demonstrated the defendant's default in the payment of principal and interest, requires the court to deny the petition for judgment by confession (<i>R.C. 2323.13(D)(2)</i>).</p> <p>No provision.</p> <p>No provision.</p>	<p>If the court determines after a hearing that the creditor has not demonstrated the defendant's monetary default, requires the court to vacate the judgment and award to the defendant court costs, reasonable attorney fees incurred in connection with the hearing, and any actual, consequential, and incidental damages resulting from the judgment (<i>R.C. 2323.13(E)(1)</i>).</p> <p>Requires the hearing requested by the defendant as described above to be held not later than 7 days after the request is received by the court, except that the court may continue the hearing for good cause shown (<i>R.C. 2323.13(E)(1)</i>).</p> <p>Preserves the defendant's right to seek relief from judgment under Civil Rule 60 (<i>R.C. 2323(E)(2)</i>).</p>
<b>Contractual language for warrant of attorney</b>	<p>If a warrant of attorney is signed in connection with the settlement of a dispute, requires the creditor to include in the instrument of indebtedness a provision stating that failure to make timely payments may result in a court judgment to be taken against the debtor without the debtor's prior knowledge (<i>R.C. 2323.13(F)(1)</i>).</p> <p>If a warrant of attorney is not signed in connection with the settlement of a dispute, requires the creditor to include in the instrument of indebtedness provisions stating the following:</p> <p>(1) Failure to make timely payments may result in a court judgment to be taken against the</p>	<p>If a warrant of attorney is signed in connection with the settlement of a dispute, requires the creditor to include in the instrument of indebtedness a provision stating that failure to make timely payments may result in a court judgment to be taken against the debtor without the debtor's prior knowledge or a court trial (<i>R.C. 2323.13(F)(1)</i>).</p> <p>If a warrant of attorney is not signed in connection with the settlement of a dispute, requires the creditor to include in the instrument of indebtedness provisions stating the following:</p> <p>(1) Failure to make timely payments may result in a court judgment to be taken against the debtor</p>

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	<p>debtor without a court trial.</p> <p>(2) The debtor will be sent a notice by certified mail, return receipt requested, prior to an entry of judgment and the debtor will have 30 days following receipt of the notice to request a court hearing to determine whether the debtor has defaulted in the payment of principal and interest (<i>R.C. 2323.13(F)(2)</i>).</p>	<p>without the debtor's prior knowledge or a court trial.</p> <p>(2) The creditor will send a notice to the debtor by mail, return receipt requested, that the debtor is in monetary default prior to an entry of judgment and, if a judgment is entered, the court will send notice of judgment and of the debtor's right to a hearing to determine whether the debtor has defaulted in the payments due under the terms of the agreement (<i>R.C. 2323.13(F)(2)</i>).</p>

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