



OHIO LEGISLATIVE SERVICE COMMISSION

Robert Meeker

Fiscal Note & Local Impact Statement

Bill: H.B. 67 of the 132nd G.A.
(L_132_0180-6)

Status: In House Financial Institutions, Housing, and
Urban Development

Sponsor: Rep. Young

Local Impact Statement Procedure Required: No

Subject: Limitations on confessions of judgment

Detailed Fiscal Analysis

The bill will have no direct fiscal effect on the state or any of its political subdivisions. The bill: (1) limits the use of a confession of judgment to resolve the settlement of certain disputes or in response to monetary default, (2) requires a court that enters a judgment for a creditor to notify the defendant of their right to a hearing, and (3) provides that the defendant has 30 days after judgment has been entered to request a hearing.

As confessions of judgment are not prevalent in Ohio, a court may have to only occasionally expend additional time and effort to resolve such civil matters if a defendant exercises their right to a hearing.

Synopsis of Fiscal Effect Changes

From a fiscal perspective, there are two substantive differences (summarized below) between the substitute version of H.B. 67 (L_132_0180-6) and the immediately preceding version (As Introduced). Neither version of the bill, however, will have any direct fiscal effect on the state, and no discernible ongoing fiscal effect on counties and municipalities.

- The As Introduced version creates the offense of illegally obtaining a confession of judgment, a violation of which is a first degree misdemeanor. The substitute bill removes the offense. Violations of the offense would have been infrequent and had no discernible ongoing effect on county and municipal criminal justice system revenues and expenditures.
- The substitute version adds a provision giving the defendant the right to a post-judgment hearing, which means that a court may have to occasionally expend additional time and effort to resolve such civil matters.