

As Introduced

132nd General Assembly

Regular Session

2017-2018

S. B. No. 120

Senator Eklund

Cosponsor: Senator Terhar

A BILL

To amend section 4710.01 and to enact section 1
4710.05 of the Revised Code regarding debt 2
adjusting. 3

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

Section 1. That section 4710.01 be amended and section 4
4710.05 of the Revised Code be enacted to read as follows: 5

Sec. 4710.01. As used in this chapter: 6

(A) "Person" includes individuals, partnerships, 7
associations, corporations, trusts, and other legal entities. 8

(B) "Debt adjusting" means doing business in debt 9
adjusting, budget counseling, debt management, or debt pooling 10
service, or holding oneself out, by words of similar import, as 11
providing services to debtors in the management, reduction, or 12
elimination of the amount or repayment terms of their debts, to 13
do either of the following: 14

(1) To effect the adjustment, compromise, or discharge of 15
any account, note, or other indebtedness of the debtor + to 16
obtain any of the following: 17

<u>(a) An adjustment of an interest rate on a debt owed by a</u>	18
<u>debtor to a creditor;</u>	19
<u>(b) A waiver or reduction of fees or charges;</u>	20
<u>(c) A discharge of a debt by reducing the principal</u>	21
<u>balance of the debt.</u>	22
(2) To receive from the debtor and disburse to the	23
debtor's creditors any money or other thing of value.	24
(C) "Resides" means to live in a particular place on a	25
temporary or a permanent basis.	26
<u>Sec. 4710.05. A person engaged in debt adjusting and</u>	27
<u>operating in compliance with federal laws or regulations,</u>	28
<u>including regulations adopted under 16 C.F.R. part 310, is not</u>	29
<u>subject to division (B) of section 4710.02 of the Revised Code</u>	30
<u>or to any requirement of this chapter that conflicts with those</u>	31
<u>federal laws or regulations.</u>	32
Section 2. That existing section 4710.01 of the Revised	33
Code is hereby repealed.	34
Section 3. Nothing in this act shall be construed as	35
permitting the unauthorized practice of law by any person	36
engaged in debt adjusting.	37