

98 House District

Tuscarawas County
Holmes County

Columbus Office

Vern Riffe Center
77 S. High Street
11th Floor
Columbus, Ohio 43215-6111
(614) 466-8035
(800) 282-0253
(614) 719-6996 (Fax)
Rep98@ohiohouse.gov
www.ohiohouse.gov

Committees

Chairman Hackett, Vice Chairman Hottinger, and Ranking Member Craig, and members of the Senate Insurance and Financial Institutions Committee

Brett Hudson Hillyer State Representative

Chairman Hackett, Vice Chairman Hottinger, and Ranking Member Craig, and members of the Senate Insurance and Financial Institutions Committee, I would like to thank you for the opportunity to testify on behalf of House Bill 38.

House Bill 38 will require a commercial credit reporting agency to provide credit reports to businesses and to establish a procedure whereby a business may dispute statements on the report.

This legislation will establish a procedure by which an Ohio business that is subject of a commercial credit report may:

- View a copy of the report and if the report contains inaccurate information,
- Challenge and obtain details of the negative information so that the business can present evidence to support its side of any dispute.

These legal protections are consistent with those that you and I and every American enjoy under the national Fair Credit Reporting Act. This legislation simply gives those same rights to Ohio small businesses.

Commercial credit reporting agencies gather financial information on Ohio businesses through various sources to compile and sell this information to third parties. Generally, the purpose of the report is to provide a picture of the business's financial health. Purchasers of this data include:

- Banks, when deciding whether to make a loan to a business;
- Vendors, when deciding whether to offer credit to a business in the course of selling them goods or services, and;
- Customers, when deciding whether to do business with a company.

While working through the Committee process in the House, the HB 38 several additional proposals were added that were agreed upon by various financial intuitions. These include definitions requested by the Department of Commerce, provisions of the Residential Mortgage Lending Act; modifies and clarifies notice to a debtor for a jr. lienholder, and removes the requirement that personal checking accounts contain the date of which the account was opened.

Chairman Hackett and members of the committee, thank you again for the opportunity to provide sponsor testimony on House Bill 38, and I am happy to answer any questions that you may have.