

**As Introduced**

**133rd General Assembly**

**Regular Session**

**2019-2020**

**H. B. No. 244**

**Representatives Hillyer, Ingram**

**Cosponsor: Representative Seitz**

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**A BILL**

To amend section 4712.05 of the Revised Code to  
exempt certain contracts between a credit  
services organization and a buyer from the time  
limit to perform services.

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

**Section 1.** That section 4712.05 of the Revised Code be  
amended to read as follows:

**Sec. 4712.05.** (A) Each contract between the buyer and a  
credit services organization for the purchase of the services of  
the organization shall be in writing, dated and signed by the  
buyer, and shall include all of the following:

(1) A statement, in type that is boldfaced, capitalized,  
underlined, or otherwise conspicuously set out from surrounding  
written material and that is in immediate proximity to the space  
reserved for the signature of the buyer, as follows:

"If you, the buyer, have been denied credit within the  
last sixty days, you may obtain a free copy of the consumer  
credit report from the consumer reporting agency. You also have  
the right to dispute inaccurate information in a report.

You may cancel this contract at any time before midnight 19  
of the third business day after the date you signed it. See the 20  
attached notice of cancellation form for an explanation of this 21  
right." 22

(2) The terms and conditions of payment, including the 23  
total of all payments to be made by the buyer, whether to the 24  
credit services organization or to another person; 25

(3) A full and detailed description of the services to be 26  
performed for the buyer by the credit services organization, 27  
including all guarantees and all promises of full or partial 28  
refunds, and the estimated length of time, not exceeding sixty 29  
days or any shorter time period prescribed by the superintendent 30  
of financial institutions, for performing the services~~+~~. The 31  
performance of services under a contract to which all of the 32  
following conditions apply is not subject to the time limit 33  
identified in division (A)(3) of this section, but is subject to 34  
a twelve-month limit: 35

(a) The buyer agrees to make periodic payments for the 36  
services performed during the term of the contract. 37

(b) The buyer may cancel the contract at any time without 38  
penalty or future obligation. 39

(c) The contract solely provides for the ongoing 40  
performance of any of the following services: 41

(i) Services described in division (C)(1)(a) of section 42  
4712.01 of the Revised Code or providing advice or assistance to 43  
a buyer in connection with such services; 44

(ii) Services described in division (C)(1)(d) of section 45  
4712.01 of the Revised Code. 46

(d) The buyer's explicit, affirmative, and documented 47  
assent is provided before a contract is renewed; 48

(e) During the term of the contract period, the credit 49  
services organization reviews with the buyer the adverse credit 50  
information on the buyer's credit report. 51

(4) The address of the credit services organization's 52  
principal place of business and the name and address of its 53  
agent in this state authorized to receive service of process; 54

(5) With respect to the previous calendar year or the time 55  
period during which the credit services organization has been in 56  
business, whichever is shorter, the percentage of the 57  
organization's customers for whom the organization has fully and 58  
completely performed the services the organization agreed to 59  
perform for the buyer. 60

(B) The contract shall have attached two easily detachable 61  
copies of a notice of cancellation. The notice shall be in 62  
boldface type and in the following form: 63

"Notice of Cancellation 64

You may cancel this contract, without any penalty or 65  
obligation, within three business days after the date the 66  
contract is signed. 67

To cancel this contract, mail or deliver a signed, dated 68  
copy of this cancellation notice, or other written notice, to: 69

..... (Name of Seller) at ..... 70  
(Address of Seller) (Place of Business) not later than 71  
midnight ..... (Date) 72

I hereby cancel this transaction. 73

Dated: .....	74
(Buyer's signature)"	75
(C) The credit services organization, at the time of signing, shall give to the buyer a copy of the completed contract and all other documents the organization requires the buyer to sign.	76 77 78 79
(D) No credit services organization shall breach a contract described in this section or fail to comply with any obligation arising from such a contract.	80 81 82
(E) No credit services organization shall fail to comply with division (A), (B), or (C) of this section.	83 84
<b>Section 2.</b> That existing section 4712.05 of the Revised Code is hereby repealed.	85 86