

Columbus Office
77 South High Street, 13th Floor
Columbus, OH 43215-6111

Contact
614.466.8104
REP75@ohiohouse.gov
Haraz.Ghanbari@ohiohouse.gov



Chairman
Small Business

Committees
Public Safety
Arts, Athletics, & Tourism
Veterans & Military Development

HARAZ N. GHANBARI

State Representative | Ohio House District 75

October 29, 2025

Chair Oelslager, Vice Chair Pizzulli, Ranking Member Russo, and Members of the Committee:

Thank you for allowing me to testify in support of H.B. 534, which I am proud to Joint Sponsor. While Representative White addressed the need for this reform, I would like to focus on **what the bill does**.

H.B. 534 modernizes Ohio law by creating a clear, regulated framework for for-profit debt settlement services—aligning our statute with the **Federal Trade Commission’s 2010 Telemarketing Sales Rule** and existing federal consumer protection standards. Under those rules, debt settlement companies cannot collect any fee from a consumer until a settlement has been reached, the consumer accepts it, and the first payment is made toward it.

The bill also subjects these providers to **state-level licensing and oversight** by the Department of Commerce. It mandates annual audits, requires surety bonding, and gives the state clear enforcement authority to protect Ohio consumers. These safeguards ensure that only compliant, transparent, and financially responsible operators can serve Ohio consumers.

In practical terms, this legislation does **three key things**:

1. **Clarifies** that providing debt settlement services consistent with federal law is permitted in Ohio.
2. **Protects consumers** by imposing state oversight, licensing, and audit requirements.
3. **Expands access** to legitimate debt relief options that help Ohioans avoid bankruptcy and repay what they can afford.

In short, H.B. 534 brings Ohio law up to date, harmonizing it with federal regulation and ensuring that Ohio families have access to safe, effective options to resolve unmanageable debt.

Thank you, Mr. Chair and members of the Committee, for your attention and for your commitment to consumer protection and financial recovery.