



## Written Proponent Testimony on Senate Bill No. 13

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National Creditors Bar Association**

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The National Creditors Bar Association (NCBA) is an Association of over 300 law firms throughout the United States and has been an active participant in legislation on the federal and state levels since 1990 advocating for the rights of its members and members' clients. On behalf of the NCBA, I express our support for of Senate Bill No.13, legislation that will modify Ohio's statutes of limitations.

The legislation rightfully and properly corrects application of tort reform legislation enacted in Ohio via S.B. 80 from applying to all civil actions to limiting its application to only tort actions, as was originally intended; clarifies the uncertainty created by the plurality decision in *Taylor v. First Resolution Invest. Corp.*, 2016-Ohio-3444, 148 Ohio St. 3d 627, 72 N.E.3d 573, *cert. denied*, 137 S. Ct. 398 (2016), concerning when a cause of action accrues on a debt; and provides a clear and unamigious bright line that the statute of limitation for most consumer debts is 6 years.

The National Creditors Bar Association has done considerable research on the statute of limitations across our country. It is important to note that our research indicates that the average statute of limitations for written contracts is 5.2 years and the largest plurality of states, 21 to be exact, have a statute of limitations for written contracts of 6 years or more. For the purpose of perspective and legislative history, it is also important to note that Ohio recently reduced the Ohio statute of limitations.

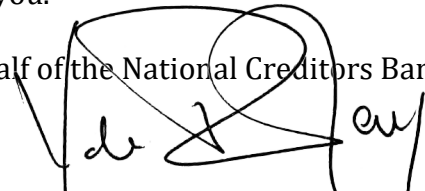
Finally, our members, including myself, have considerable expertise and experience speaking with consumers that are in collections for unpaid debts of all types. From my personal experience, the majority of consumers that are in collections are there not because of spending on luxury or unnecessary items that they cannot afford, but due to a unforeseen '*change in circumstance*' that was out of their control such as the death of a family member, divorce, job loss or medical illness. For the working Ohio consumer, a statute less then 6 years long is just not enough time for middle class families, many of whom are living paycheck to paycheck, to get back on their feet and pay back an unexpected and unanticipated debt. The unintended consequence of a short statute of limitation is that the business cannot wait for the consumers to get back on their feet and voluntarily pay the debt and as a result has no other alternative but to file a lawsuit to recover the amount owed before that the debt goes out of statute.



For these reasons, the National Creditors Bar Association respectfully asks you and the members of the Committee to support Senate Bill 13 in its current form. Thank you for the opportunity to share our thoughts and express our support of this Bill.

Thank you.

On behalf of the National Creditors Bar Association



Yale R Levy, Immediate Past President