



**Testimony on Senate Bill 13
Before the Senate Judiciary Committee**

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Good afternoon Chairman Manning, Vice Chair McColley, Ranking Member Thomas, and members of the Senate Judiciary Committee. Thank you for the opportunity to appear before you this afternoon to express support for Senate Bill 13. Our special thanks to Senator Lang for his dedication to passage of a bill that represents the best interests of many.

I am the executive director for the Ohio Receivables Management Association (ORMA). Our membership consists of companies whose primary business is receivables management and collecting on the outstanding obligations that are owed to first-party creditors. Our members provide services to universities, not-for-profit hospitals, physicians, service-providers, utilities, credit unions, area banks and other types of businesses. All of our members have brick and mortar operations in this state and are small businesses providing jobs to Ohioans.

Our members' primary job each day is to have conversations with consumers who are behind on their obligations. More often than not, they are dealing with Ohioans who fell behind in financial obligations due to life changing events. This could be a death in the family, serious illness, job loss, being a young person just graduating from college and striking out on his/her own, divorce, or becoming a new parent for the first time. These events can require time to gain or regain financial footing.

Senate Bill 13 seeks to amend R.C. 2305.06 and 2305.07 to shorten the statute of limitations on oral and written contracts to four years for oral contracts, six years for written contracts and six years for consumer transactions.

It can take a significant amount of time for many people to fulfill their financial obligations for reasons previously mentioned. Our industry's primary goal is to work with people to help them satisfy those obligations but that can take a long time for some. A six-year statute of limitations on consumer transactions takes into consideration the best interests of consumers. Members of our industry routinely collect on accounts that are four, five and six years from the date of the original debt. A six-year statute of limitations will provide consumers with adequate time to resolve their debts and repair their credit reports, an important quality of life issue.

Senate Bill 13 is the result of a great number of meetings, discussions and compromises amongst a number of diverse interest holders. As such, ORMA supports Senate Bill 13 and encourages the Committee to do the same with passage of the bill as introduced.

Thank you again, Mr. Chairman and members of the Committee. I am happy to answer any questions you may have.