



Chairman Jonathan Dever  
House Financial Institutions,  
Housing and Urban Development Committee  
HB 67 – Proponent Testimony  
Provided by Bryan C. Williams  
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Chairman Dever, members of the committee, my name is Bryan Williams and I serve as the Director of Government Affairs for the Associated Builders and Contractors of Ohio. Ohio's three ABC chapters have nearly 1,000 commercial general contractors, sub-contractors and affiliated businesses which promote the merit shop philosophy.

I am here to testify as a proponent of HB 67 – a bill to end the practice of “confession of judgment” notes for non-monetary reasons on commercial loans.

Commercial development is crucial to a well-functioning economy and business practices which detract from that should rightly undergo ongoing scrutiny. During the last recession, many banks found themselves in a precarious position of needing instant cash reserves to satisfy federal regulators. In cases outlined for this committee, some banks aggressively pursued borrowers with technical or non-monetary deficiencies and required cash payments to stay in the loan.

When banks can use non-monetary issues to call in a loan during a recession, they risk triggering a cascading affect that deepens the recession and slows the recovery by leaving a trail of bankrupted borrowers in their wake. States that disallow the use of cognovits notes on commercial loans for non-monetary reasons have a more stable borrowing environment and one which Ohio would do well to replicate.

Thank you for your consideration.