Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Sub. H.B. 275 of the 129th G.A.

Date: March 21, 2012

Status: As Reported by Senate Insurance, Commerce & Labor

Sponsor: Reps. Young and Slaby

Local Impact Statement Procedure Required: No

Contents: Right to Cure

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- The bill may result in an indirect cost savings for courts of common pleas, as certain civil cases may be more promptly resolved than might otherwise have been the case under current law.

Detailed Fiscal Analysis

The bill will permit suppliers and consumers to enter into Right to Cure agreements. A "cure offer" is defined as a written offer of one or more things of value, including the payment of money that is made by a supplier to a consumer or to the consumer's attorney in response to a consumer's claim of a violation of Revised Code (R.C.) Chapter 1345. (Consumer Sales Practices Act).

The primary beneficiaries of such agreements would be the parties directly involved in these types of civil cases, both plaintiff(s) and defendant(s). However, if enacted, the bill may have an indirect impact on the adjudication of certain civil cases filed in relation to an alleged violation of the Consumer Sales Practices Act. These types of cases are filed in the general division of the courts of common pleas.

By allowing suppliers and consumers to enter into Right to Cure agreements, cases could move through the civil justice system more quickly, resulting in some level of administrative cost savings for the courts of common pleas that adjudicate such matters. Determining the magnitude of these potential cost savings is problematic due to two factors: (1) the fact that there is no statewide data source that tracks the number of civil cases that are filed under R.C. Chapter 1345., and (2) the difficulty in predicting the number of cases in which a supplier and a consumer might opt to enter into a Right to Cure agreement.

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