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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 597  
133<sup>rd</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsor:** Reps. Ingram and Miranda

S. Ben Fogle, Attorney

### SUMMARY

- Halts the collection of debt owed to state institutions of higher education and any hospitals operated by those institutions of higher education.
- Freezes the accrual of interest and collection of fees on all outstanding debt owed to the above entities.
- Declares an emergency.

### DETAILED ANALYSIS

#### Debts owed to the state – generally

Current law provides that, when any amount is due to the state, the officer, employee, or agent responsible for administering the law under which the money is due must immediately move to collect the amount owed. If the amount has not been paid within 45 days of the due date, the debt is certified to the Attorney General. If the debt is owed by a student to a state institution of higher education, the debt is certified within the later of 45 days after the amount is due, or the tenth day after the beginning of the next academic semester, quarter, or other session after the session for which the amount is owed. A “state institution of higher education” includes any of the 13 state universities, the Northeast Ohio Medical University (NEOMED), a community college, state community college, university branch, or technical college.<sup>1</sup>

Once the debt is certified, the Attorney General may attempt to collect the debt or, if the Attorney General and the chief officer of an institution determine it is in the best interests

<sup>1</sup> R.C. 3345.011, not in the bill.

of the state, may settle the claim or extend the due date. If the claim is determined to be uncollectible, the Attorney General may waive the claim or convey it to a private entity.<sup>2</sup>

## Emergency suspension of debt collection

The bill only applies during the emergency period declared by Executive Order 2020-01D regarding the COVID-19 pandemic. The bill declares an emergency, based on economic exigencies caused by the COVID-19 pandemic, and therefore goes into immediate effect upon enactment.

The bill prohibits the state, or any of its agencies or political subdivisions, including the Attorney General, from collecting debt owed by any person to a state institution of higher education, or a hospital operated by a state institution of higher education. This includes outstanding tuition and other fees in the case of the former, and medical bills in the case of the latter. The bill also freezes the accrual of interest on these debts during the period of emergency, and prohibits the state, a political subdivision, or any agent of these entities, from assessing late fees for any debt the collection of which has been suspended.<sup>3</sup>

In service of these purposes, the bill suspends the operation of the law discussed above, but only to the extent that it applies to the collection of debt owed to a state institution of higher education or a hospital operated by one. It does not suspend the law as it applies to all other debts owed to the state or any political subdivision. The other sections suspended by the bill are sections implementing the main provision described above in “**Debts owed to the state – generally,**” and they are suspended to the same extent that provision is suspended – i.e., they still apply to the debts not contemplated by this bill.<sup>4</sup> The bill does not forgive any debts owed; it merely suspends the collection of those debts, and extends the due date to some point in the future.

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## HISTORY

Action	Date
Introduced	03-31-20

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H0597-I-133/ar

<sup>2</sup> R.C. 131.02, not in the bill.

<sup>3</sup> Sections 1 and 2 of the bill.

<sup>4</sup> R.C. 131.021, 131.022, 131.023, 131.024, 131.025, and 131.03, not in the bill.