



OHIO REAL ESTATE INVESTORS ASSOCIATION LEGISLATIVE COMMITTEE

Ohio Real Estate Investors' Association Legislative Activities Report September 2011

Soon after completing the hectic state budget process state law makers wrapped up the first part of the 129th General Assembly by returning home to their districts and preparing for session to resume in mid-September. Despite Senate and House members being away on summer recess, Capitol Square has been far from quite, as lawmakers continued to work on important issues facing Ohioans.

Over the summer much attention has been paid to the three statewide ballot issues that will appear before voters during the General Election on November 8th. The Ohio Ballot Board has been convening over the summer months and recently finalized the ballot language and accepted the official arguments that were submitted in support and opposition of the ballot issues. The Ballot Board did add a disclaimer noting that the board members had not verified the veracity and accuracy of the arguments, something Senator Keith Faber (R-Celina) suggested, citing concerns with the anti-Issue 2 arguments submitted by We Are Ohio.

Issue 1 is a change sought on the judicial retirement age. If approved, it would increase the mandatory retirement age for all judges in the state from 70 to 75 years. Issue 1 would also eliminate the General Assembly's authority to establish courts of conciliation and would prohibit the governor from appointing members to a Supreme Court Commission.

Garnering most of the attention this election season is Issue 2, which is the referendum to repeal collective bargaining legislation (SB 5). If voters oppose the ballot item, it would overturn the law signed by Governor Kasich on March 31st. Issue 2 was placed on the ballot after the Secretary of State's office received more than a million signatures in support of the referendum. Prior to the deadline for ballot committees to pull issues off the ballot, Gov. John Kasich, House Speaker William Batchelder (R-Medina), and Senate President Tom Niehaus (R-New Richmond) called for union leaders to come to the negotiating table with a compromise on Issue 2. The three Republican leaders sent a letter to "the government employee union leaders of We Are Ohio" asking that both sides get together to resolve their differences. We Are Ohio refused to attend the meeting, stating that they will only negotiate after SB 5 is repealed.

The last of the statewide issues, Issue 3, is a citizen-led effort to block part of the federal healthcare law that requires individuals to have health insurance. If approved, it would add to Ohio's Bill of Rights a provision that will prevent Ohioans from being required to participate in a healthcare plan. The lead proponent for the amendment is The Ohio Project, which was able to garner nearly 500,000 signatures. The amendment has met opposition from ProgressOhio, which most recently filed a lawsuit trying to get Issue 3 removed from the ballot claiming that many of the signatures were invalid. The Ohio Supreme Court rejected the group's attempt to block the measure, allowing the constitutional amendment to be on the General Election ballot.

On the Housing front, the state's Multiple Listing Services released its most recent statistics, showing that sales of new and existing single family residential properties across Ohio increased 17.8% from a year ago. The average sale price also grew to \$140, 903, an increase of 3.1% from the past year. Some believe that the uptick in activity throughout the state might indicate that the marketplace is stabilizing, something that hasn't really happened since the recession in 2008.

In federal news, U.S. Senator Sherrod Brown has decried abuses of lenders that have sent hundreds of thousands of homeowners into foreclosure in recent years. He has spent the summer months urging for passage of his Foreclosure Fraud and Homeowner Abuse Prevention Act of 2011 that, he claims, would clean up the foreclosure process. The bill is mostly aimed at loan servicing companies by addressing the problem of predatory practices that are currently occurring in the industry.

We are tracking the following bills that will be of interest to the members of the Ohio Real Estate Investors' Association. We expect the legislature to address many of these issues when lawmakers return from summer recess.

HB3 REPEAL ESTATE TAX (GROSSMAN C, HOTTINGER J) To repeal the estate tax for the estates of individuals dying on or after January 1, 2011.

Current Status: 2/16/2011

REPORTED OUT

House Ways and Means Committee

Fourth Hearing

HB5 COURT COSTS AND FEES (HUFFMAN M) To provide consolidated references to Revised Code sections that establish costs and fees, other than attorney fees, in the courts of record of this state.

Current Status: 6/21/2011

SIGNED BY GOVERNOR

Effective: 9/23/2011

HB10 REMEDIATION OF CONTAMINATED SITE (SEARS B) To authorize refundable tax credits for the completion of a voluntary action to remediate a contaminated site and for the return of such sites to productive use.

Current Status: 3/2/2011

House Ways and Means Committee

Fifth Hearing

HB14 VICIOUS DOGS (SEARS B) To remove pit bulls from the definition of "vicious dog" in state law.

Current Status: 6/28/2011

PASSED BY HOUSE

Vote 69-29

HB17 TAX CREDIT FOR HIRING UNEMPLOYED (BAKER N) To authorize a \$2,400 income tax withholding credit for an employer that hires and employs a previously unemployed individual.

Current Status: 1/11/2011

Referred to the House Ways and Means Committee

HB32 **SEWAGE TREATMENT SYSTEMS (AMSTUTZ R)** To exempt from the Professional Engineers and Surveyors Law the preparation of plans or drawings for a sewage treatment system or components and measurements necessary to comply with Household and Small Flow On-Site Law.

Current Status: 6/15/2011

Referred to the Senate Agriculture, Environment & Natural Resources Committee

HB51 **MUNICIPAL UTILITIES (SNITCHLER T)** To require a municipal utility supplying surplus electricity to nonresidents to provide written notice of termination one year before terminating the service.

Current Status: 2/1/2011

Referred to the House Public Utilities Committee

HB56 **RESIDENTIAL FORECLOSURE ACTIONS (MURRAY D)** To permit the trial of a corporation in absentia in a criminal proceeding initiated by complaint and relative to residential foreclosure actions.

Current Status: 3/22/2011

House Judiciary and Ethics Committee
First Hearing

HB72 **NPDES PERMITS FOR SEWAGE SYSTEMS (DAMSCHRODER R)** To require the EPA Director to consider, to the extent allowable under the Federal Water Pollution Control Act, specified factors before issuing NPDES permits for sewerage systems, enforcing provisions of the Act as applied to sewerage systems.

Current Status: 2/1/2011

Referred to the House Health and Aging Committee

HB87 **WATER WORKS/SEWAGE DISPOSAL COMPANIES (GOYAL J, GROSSMAN C)** To limit recovery of rate-case expenses for certain water-works and sewage disposal system companies.

Current Status: 4/6/2011

House Public Utilities Committee
Fourth Hearing

HB103 **ADDRESS CONFIDENTIALITY (CLYDE K, STINZIANO M)** To establish an address confidentiality program for individuals who reasonably believe that they are in danger of being threatened or physically harmed by another person, include federal law enforcement officers among those protected.

Current Status: 3/1/2011

House Judiciary and Ethics Committee
First Hearing

HB105 **DOMESTIC VIOLENCE VICTIMS (MURRAY D)** To allow an employee who is a

victim of domestic violence to take an unpaid leave for purposes relating to the incident of domestic violence, to allow a tenant who is a victim to terminate a rental agreement or have name removed from agreement.

Current Status: 6/21/2011

House Judiciary and Ethics Committee
First Hearing

HB106 **RENTAL AGREEMENT - ARMED FORCES MEMBER (PILLICH C)** To enable members of the armed services and the Ohio National Guard terminate a rental agreement when the member receives military orders to deploy or for a permanent change of station.

Current Status: 3/3/2011

House Financial Institutions, Housing and Urban Development
Committee
First Hearing

HB129 **BED BUGS (MALLORY D)** To establish the Bed Bug Awareness, Education, and Prevention Program and to require boards of health to adopt vermin control policies under which bed bug infestations are treated in the same manner as other infestations.

Current Status: 3/2/2011

Referred to the House Health and Aging Committee

HB153 **BIENNIAL BUDGET (AMSTUTZ R)** To make operating appropriations for the biennium beginning July 1, 2011, and ending June 30, 2013, and to provide authorization and conditions for the operation of state programs.

Current Status: 6/30/2011

SIGNED BY GOVERNOR

Effective 6/30/2011; some sections different dates, 7 line item vetoes

HB181 **FORECLOSURE NOTIFICATION (CELESTE T, FOLEY M)** To require that notice of foreclosure and related sale of residential rental property be given to tenants at that property and to specify that a rental agreement for a residential property that is sold pursuant to a foreclosure action converts to a month-

Current Status: 4/14/2011

House Financial Institutions, Housing and Urban Development
Committee
First Hearing

HB187 **RESIDENTIAL MORTGAGE SERVICERS (DRIEHAUS D, FOLEY M)** To require registration of residential mortgage servicers, to regulate residential mortgage servicers, and to adopt civil and criminal penalties for violations of the bill's provisions.

Current Status: 4/14/2011

House Financial Institutions, Housing and Urban Development
Committee
First Hearing

HB189 **BLUE STAR/GOLD STAR BANNER DISPLAYS (COLEY II W, DEGEETER T)** To

prohibit condominium associations, neighborhood associations, and landlords from restricting the display of blue star/gold star banners and other service flags and prohibit restricting the display of the United States flag.

Current Status: 5/19/2011

REPORTED OUT AS AMENDED

House Financial Institutions, Housing and Urban Development
Committee
Third Hearing

HB198 **PROPERTY TAX COMPLAINTS (COLEY II W)** To permit property tax complaints to be initiated only by the property owner.

Current Status: 5/12/2011

House Financial Institutions, Housing and Urban Development
Committee
Second Hearing

HB222 **LICENSE DEBT SETTLEMENT SERVICES (MECKLENBORG R)** To require the licensure of, and otherwise regulate, providers of debt settlement services.

Current Status: 6/22/2011

House Financial Institutions, Housing and Urban Development
Committee
Second Hearing

HR31 **PROPOXUR FOR BEDBUG CONTROL (MALLORY D)** To urge the Administrator of the United States Environmental Protection Agency to grant an emergency exemption for the use of the insecticide Propoxur to control bedbugs in Ohio.

Current Status: 4/13/2011

ADOPTED BY HOUSE

Vote 97-0

SB14 **MORTGAGE SERVICERS REGISTRATION (SKINDELL M)** To require registration of residential mortgage servicers, to regulate residential mortgage servicers, and to adopt civil and criminal penalties for violations of the bill's provisions.

Current Status: 6/15/2011

Senate Financial Institutions Committee
First Hearing

SB16 **AGRICULTURAL EASEMENT EXEMPT ESTATE TAX (WILSON J)** To exempt from the gross estate the value of real property subject to agricultural or conservation easements for the purpose of calculating a decedent's estate tax liability.

Current Status: 2/17/2011

Senate Ways & Means & Economic Development Committee
First Hearing

SB22 **NPDES PERMITS SEWAGE SYSTEMS (SCHAFFER T)** To require the Director of Environmental Protection to consider, to the extent allowable under the Federal Water Pollution Control Act, specified factors before issuing NPDES permits for sewerage

systems.

Current Status: 6/30/2011

SIGNED BY GOVERNOR

Effective: 9/30/2011

SB39 **BED BUG TASK FORCE (KEARNEY E)** To create the Ohio Bed Bug Infestation Task Force to study bed bug infestation in Ohio.

Current Status: 3/23/2011

Senate Health, Human Services & Aging Committee
First Hearing

SB43 **FUND FORECLOSURE PREVENTION - REAL ESTATE EARNEST MONEY (KEARNEY E)** To require earnest money for the purchase of residential real estate to be deposited in an interest-bearing account to be used to fund foreclosure prevention programs.

Current Status: 6/15/2011

Senate Financial Institutions Committee
Second Hearing

SB50 **INCOME TAX CREDIT LANDLORDS (KEARNEY E)** To authorize an income tax credit for residential landlords who improve a rental unit's energy efficiency.

Current Status: 2/17/2011

Senate Ways & Means & Economic Development Committee
First Hearing

SB70 **ARSON OFFENDERS REGISTRY (SCHAFER T)** To establish a registry for arson offenders.

Current Status: 4/12/2011

Senate Judiciary - Criminal Justice Committee
First Hearing

SB90 **ESTATE TAX (JORDAN K)** To repeal the estate tax for the estates of individuals dying on or after January 1, 2011.

Current Status: 4/14/2011

REPORTED OUT AS AMENDED

Senate Ways & Means & Economic Development Committee
Fifth Hearing

SB109 **ABANDONED PARCEL TRESPASSING (SCHIAVONI J)** To provide that a person is not criminally or civilly liable for trespassing on certain abandoned land, blighted parcels, or similar places of public amusement if the person enters or remains on the land or parcel to beautify it.

Current Status: 4/12/2011

Senate Judiciary - Criminal Justice Committee
First Hearing

SB115 **PROPERTY SALE GAINS (KEARNEY E)** To exempt from income taxation any gains

from the sale of Ohio property used in a trade or business and held for at least two years.

Current Status: 3/24/2011

Senate Ways & Means & Economic Development Committee
First Hearing

SB150 **RATE-CASE EXPENSES FOR WATER/SEWER (HUGHES J)** To limit recovery of rate-case expenses for certain water-works and sewage disposal system companies.

Current Status: 5/10/2011

Referred to the Senate Energy & Public Utilities Committee

SB164 **WATER RESOURCES PROJECT (OBHOF L)** To declare that a water resources project of a regional water and sewer district remains under the jurisdiction of the district after the municipal annexation of the territory where the project is located.

Current Status: 5/10/2011

Referred to the Senate Agriculture, Environment & Natural Resources Committee

SB172 **JUDGMENT CREDITOR LANDLORD (SCHAFFER T)** To enable a judgment creditor landlord to obtain a court order directing the Tax Commissioner to pay the judgment debtor tenant's income tax refund to the landlord.

Current Status: 6/23/2011

Senate Ways & Means & Economic Development Committee
First Hearing

SB193 **SCRAP METAL DEALERS (SEITZ B)** To require scrap metal dealers to take and keep as part of the sales record a photograph of each person selling or giving an article to the dealer.

Current Status: 6/30/2011

Introduced

SB202 **PROPERTY OWNERS RESPONSIBILITY-TRESPASSER (SEITZ B)** To specify the responsibility of a possessor of real property to a trespasser.

Current Status: 8/4/2011

Introduced

SR57 **INSECTICIDE PROPOXUR (KEARNEY E)** To urge the Administrator of the United States Environmental Protection Agency to grant an emergency exemption for the use of the insecticide Propoxur to control bedbugs in Ohio.

Current Status: 5/10/2011

Referred to the Senate Agriculture, Environment & Natural Resources Committee