



**OHIO REAL ESTATE INVESTORS ASSOCIATION
GOVERNMENT AFFAIRS COMMITTEE**

TO SUPPORT GOOD GOVERNMENT THAT IMPACTS THE PROFESSIONAL INVESTMENT
PROPERTY INDUSTRY AT STATE AND LOCAL LEVELS.

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**Dan Acton
House Bill 230 Proponent Testimony
House Economic Development, Commerce, and Labor Committee
September 12, 2017**

Chairman Young, Vice Chairman DeVitis, Ranking Member Lepore-Hagan and members of the committee, my name is Dan Acton and I am the Government Affairs Director of the Ohio Real Estate Investors Association (OREIA). OREIA represents 12 local chapters across Ohio whose membership consists of small to mid-size real estate investors and housing providers who collectively own tens of thousands of single family homes and thousands of multifamily units as well. I am testifying today as a proponent on House Bill 230.

Let me start by thanking those of you on the committee that served our country and our communities in uniform; your service is appreciated. I must first state that in examining this issue, it must be made clear that property owner members in our association are not seeking to prohibit tenants from the expression of patriotism, civic pride or solidarity with the police and displaying their pride in their service or that of a family member. Simply put we support the flag and what it stands for and many of our members are first responders themselves.

OREIA does not oppose the effort to ensure that landlords and investor property owners cannot prevent tenants from displaying the Thin Blue Line flag. I am here today to offer support for House Bill 230 and to share the logistical side of implementing this law. Since many of you were not in the House last session when House Bill 18 passed and includes much of the substance of House Bill 230, allow me to explain our issues that were addressed in that bill that established the process for flying the U.S. flag and set up standards and processes for approved service flags for various armed services, POW/MIA, blue and gold star banners and any other flags designated as service flags to be displayed.

I ask you to understand that rental property is different than owner-occupied property. As an owner-occupant, decisions you make are based on your desire to improve your property and express personal style and it is based on the ability to pay for the improvement and any unintended side effect of that improvement. In a



rental property situation, many tenants are given limited abilities to make improvements to the unit because they are simply “borrowing” the unit during tenancy. Some changes like painting a room/bathroom, light landscaping, like a garden, are sometimes written into leases as permissible acts or they are done only after consultation with the landlord.

The actions proposed in House Bill 230 are similar in nature. Consider a tenant who moves into a unit this month and is at Home Depot and sees that there are flag kits on sale (typically less than \$25) and wants to display their patriotism for the recent 9/11 commemoration and makes the purchase. They come home and install the bracket to the wood post on the front porch or into the vinyl siding or perhaps in the brick or stucco. The tenant may believe themselves to be a Mr. Fix-it or a former “weekend warrior” and installs it themselves. However, in placing the bracket, it is not secure or pierces the wiring that runs the doorbell and may cause damage to the rental unit because of the installation.

Further consider someone that wants to install a flagpole at their rental property. As you know there are various things you must do prior to doing any digging. The Ohio Utilities Protection Service (OUPS) must be consulted to mark any underground utilities that may be under the surface, including cable, phone, water, sewer, gas. Also note that there may be other objects like irrigation lines and gutter drains that aren’t marked by OUPS. Striking a gas line can cause significant cost, damage and disruption of service to many neighbors. Additionally, in many communities there are zoning restrictions that determine where an item may be placed on a property. These setbacks from property lines can be enforced retroactively. If a well-intentioned tenant places a flagpole within the property setback and a city inspector notices it, the property owner, not the tenant would receive a notice to move the flagpole and possibly pay a fine in the process. Should a landlord be responsible for moving the pole and paying a fine if they had no knowledge that it was being installed? What if the pole is improperly installed and it falls and damages a neighbor’s property?

In discussions with the sponsors of former House Bill 18, the same as House Bill 230, they heard our concerns about the implementation of the law. We jointly crafted language that attempts to prevent damage and increase the safety of the tenant. House Bill 230 builds on compromises created in House Bill 18 which created a notification mechanism for the tenant to contact the landlord prior to the installation of a flag bracket or a flag pole to determine the appropriate location



and the materials to be used to install these items. Installation would comply with all applicable laws and safety standards. The law allows lease provisions requiring a tenant to return the property to the condition of the property when they took possession. Finally, language would require the landlord or the tenant to contact a utilities protection service prior to any flagpole installation. Last session the issue of notice to the landlord was discussed and what constitutes “appropriate notice”; is it 24 hours (similar to the notice that a landlord provides before entering the unit to do maintenance) or is a more broad “reasonable notice” standard? There are examples of both in landlord/tenant law. We all agreed on the more broad “reasonable notice” standard.

OREIA was concerned in the former bill with any damage arising from these installations and the ability to recoup charges for damage that occurs when notice is not provided. It had been shared by Representative Gonzales’ office that there is not a need to add any further damage recovery requirements in this amendment as landlords already maintain this ability in current law. This concept was critical to our support of the bill. As stated earlier, tenants are simply borrowing the property during their leases, but as landlords we recognize that these are their homes and some personal touches are necessary to truly make it their home. In this instance, we are simply asking for notification and communication to facilitate a tenant’s display of patriotism.

Finally, as I mentioned in my introduction I want to stress the diversity of investors within OREIA. A great number of investors own single family homes, but there are many thousands of multifamily buildings as well. With regard to the multifamily houses, should there be a limitation on the housing parcel to one flag per type of an allowable flag, U.S, Gold Star, etc.? Please consider that a 12 unit could potentially have a similar number of flags, i.e. 12 flags for 12 units mounted on the structure, balconies, and flagpoles.

In conclusion, OREIA members are committed to protecting tenants and to create a comfortable living environment, but we have a vested interest in protecting our property investments as well. Thank you for the opportunity to testify and I will answer any questions you may have.