(122nd General Assembly)
(Amended Substitute House Bill Number 371)

AN ACT

To amend sections 169.03, 317.08, 323.25, 323.31, 5301.25, 5528.51, 5528.54, 5538.53, 5721.01, 5721.03, 5721.06, and 5721.10; to amend, for the purpose of adopting new section numbers as indicated in parentheses, sections 5538.53 (5528.53) and 5721.30 (5721.46); and to enact new section 5721.30 and sections 1109.65, 5528.57, and 5721.31 to 5721.41 of the Revised Code relative to the authority of county treasurers to collect delinquent real property taxes by selling certificates entitling the bearers to liens against the property in the amount of the delinquency, to the issuance of general obligation bonds in support of and in combination with the issuance of infrastructure project obligations, and to the use of social security numbers by the Division of Unclaimed Funds in the Department of Commerce.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 169.03, 317.08, 323.25, 323.31, 5301.25, 5528.51, 5528.54, 5538.53, 5721.01, 5721.03, 5721.06, and 5721.10 be amended; sections 5538.53 (5528.53) and 5721.30 (5721.46) be amended for the purpose of adopting new section numbers as indicated in parentheses; and new section 5721.30 and sections 1109.65, 5528.57, 5721.31, 5721.32, 5721.33, 5721.34, 5721.35, 5721.36, 5721.37, 5721.38, 5721.39, 5721.40, and 5721.41 of the Revised Code be enacted to read as follows:

Sec. 169.03. (A)(1) Every holder of unclaimed funds and, when requested, person which could be the holder of unclaimed funds, under this chapter shall report to the director of commerce with respect to the unclaimed funds as provided in this section. The report shall be verified.

(2) With respect to items of unclaimed funds each having a value of ten

dollars or more, the report required under division (A)(1) of this section shall include:

(a) The full name, if known, and last known address, if any, of each person appearing from the records of the holder to be the owner of unclaimed funds under this chapter;

(b) In the case of unclaimed funds reported by holders providing life insurance coverage, the full name of the insured or annuitant and beneficiary, if any, and their last known addresses according to such holder's records;

(c) The nature and identifying number, if any, or description of the funds and the amount appearing from the records to be due;

(d) The date when the funds became payable, demandable, or returnable and the date of the last transaction with the owner with respect to the funds except with respect to each item of unclaimed funds having a value of less than twenty-five dollars;

(e) Subject to division (I) of this section, the social security number of the owner of the unclaimed funds, if it is available~~.~~;

(f) Other information which the director prescribes as necessary for the administration of this chapter.

(3) With respect to items of unclaimed funds each having a value of less than ten dollars, the report required under division (A)(1) of this section shall include:

(a) Each category of items of unclaimed funds as described in section 169.02 of the Revised Code;

(b) The number of items of unclaimed funds within each category;

(c) The aggregated value of the items of unclaimed funds within each category.

(B) If the holder of unclaimed funds is a successor to other organizations that previously held the funds for the owner, or if the holder has changed its name while holding the funds, it shall file with the report all prior known names and addresses and date and state of incorporation or formation of each holder of the funds.

(C) The report shall be filed before the first day of November of each year as of the preceding thirtieth day of June, but the report of holders providing life insurance coverage shall be filed before the first day of May of each year as of the preceding thirty-first day of December. The director may postpone, for good cause shown, the reporting date upon written request by any holder required to file a report.

(D) The holder of unclaimed funds under this chapter shall send notice to each owner of each item of unclaimed funds having a value of

twenty-five dollars or more at the last known address of the owner as shown by the records of the holder before filing the annual report. In case of holders providing life insurance coverage, such notice shall also be mailed to each beneficiary at the last known address of such beneficiary as shown by the records of such holder, except that such notice to beneficiaries shall not be mailed if such address is the same as that of the insured and the surname of the beneficiary is the same as that of the insured. The holder shall not report an item of unclaimed funds earlier than the thirtieth day after the mailing of notice required by this division.

Such notice shall set forth the nature and identifying number, if any, or description of the funds and the amount appearing on the records of the holder to be due the owner, and shall inform the owner that the funds will, thirty days after the mailing of such notice, be reported as unclaimed funds under this chapter. A self-addressed, stamped envelope shall be included with the notice, with instructions that the owner may use such envelope to inform the holder of the owner's continued interest in the funds and, if so informed before the date for making the report to the director, the holder shall not report said funds to the director. The notice shall be mailed by first class mail. If there is no address of record for the owner or other person entitled to the unclaimed funds, the holder is relieved of any responsibility of sending notice, attempting to notify, or notifying the owner. The mailing of notice pursuant to this section shall discharge the holder from any further responsibility to give notice.

(E) Verification of the report and of the mailing of notice, where required, shall be executed by an officer of the reporting holder.

(F) The director may at reasonable times and upon reasonable notice examine or cause to be examined, by auditors of supervisory departments or divisions of the state, the records of any holder to determine compliance with this chapter. The director may enter into contracts, pursuant to procedures prescribed by the director, with persons for the sole purpose of examining the records of holders, determining compliance with this chapter, and collecting, taking possession of, and remitting to the department's division of unclaimed funds, in a timely manner, the amounts found and defined as unclaimed. Holders shall retain records, designated by the director as applicable to unclaimed funds, for five years beyond the relevant time period provided in section 169.02 of the Revised Code, or until completion of an audit conducted pursuant to this division, whichever occurs first.

Records audited pursuant to this division are confidential, and shall not be disclosed except as required by section 169.06 of the Revised Code or as

the director considers necessary in the proper administration of this chapter.

(G) All holders shall make sufficient investigation of their records to ~~insure~~ ensure that the funds reported to the director are unclaimed as set forth in division (B) of section 169.01 and section 169.02 of the Revised Code.

(H) The expiration of any period of limitations on or after March 1, 1968, within which a person entitled to any moneys, rights to moneys, or intangible property could have commenced an action or proceeding to obtain the same shall not prevent such items from becoming unclaimed funds or relieve the holder thereof of any duty to report and give notice as provided in this section and deliver the same in the manner provided in section 169.05 of the Revised Code, provided that the holder may comply with the provisions of this section and section 169.05 of the Revised Code with respect to any moneys, rights to moneys, or intangible property as to which the applicable statute of limitations has run prior to March 1, 1968, and in such event the holder shall be entitled to the protective provisions of section 169.07 of the Revised Code.

(I) No social security number contained in a report made pursuant to this section shall be used by the department of commerce for any purpose other than to ~~respond~~ enable the division of unclaimed funds to carry out the purposes of this chapter and for child support purposes in response to a request made by the division of child support in the department of human services made pursuant to section 5101.327 of the Revised Code.

Sec. 317.08. Except as provided in division (F) of this section, the county recorder shall keep six separate sets of records as follows:

(A) A record of deeds, in which shall be recorded all deeds and other instruments of writing for the absolute and unconditional sale or conveyance of lands, tenements, and hereditaments; all notices as provided for in sections 5301.47 to 5301.56 of the Revised Code; all judgments or decrees in actions brought under section 5303.01 of the Revised Code; all declarations and bylaws as provided for in Chapter 5311. of the Revised Code; affidavits as provided for in section 5301.252 of the Revised Code; all certificates as provided for in section 5311.17 of the Revised Code; all articles dedicating archaeological preserves accepted by the director of the Ohio historical society under section 149.52 of the Revised Code; all articles dedicating nature preserves accepted by the director of natural resources under section 1517.05 of the Revised Code; all agreements for the registration of lands as archaeological or historic landmarks under section 149.51 or 149.55 of the Revised Code; all conveyances of conservation easements under section 5301.68 of the Revised Code; all instruments or

orders described in division (B)(1)(c)(ii) of section 5301.56 of the Revised Code; all no further action letters issued under section 3746.11 of the Revised Code; all covenants not to sue issued under section 3746.12 of the Revised Code; any restrictions on the use of property identified pursuant to division (C)(3) of section 3746.10 of the Revised Code; and all memoranda of trust, as described in division (A) of section 5301.255 of the Revised Code, that describe specific real property;

(B) A record of mortgages, in which shall be recorded all of the following:

(1) All mortgages, including amendments, supplements, modifications, and extensions of mortgages, or other instruments of writing by which lands, tenements, or hereditaments are or may be mortgaged or otherwise conditionally sold, conveyed, affected, or encumbered;

(2) All executory installment contracts for the sale of land executed after September 29, 1961, that by their terms are not required to be fully performed by one or more of the parties to them within one year of the date of the contracts;

(3) All options to purchase real estate, including supplements, modifications, and amendments of the options, but no option of that nature shall be recorded if it does not state a specific day and year of expiration of its validity;

(4) Any tax certificate sold under section 5721.33 Of the Revised Code, or memorandum thereof, that is presented for filing of record.

(C) A record of powers of attorney, including all memoranda of trust, as described in division (A) of section 5301.255 of the Revised Code, that do not describe specific real property;

(D) A record of plats, in which shall be recorded all plats and maps of town lots, of the subdivision of town lots, and of other divisions or surveys of lands, any center line survey of a highway located within the county, the plat of which shall be furnished by the director of transportation or county engineer, and all drawings as provided for in Chapter 5311. of the Revised Code;

(E) A record of leases, in which shall be recorded all leases, memoranda of leases, and supplements, modifications, and amendments of leases and memoranda of leases;

(F) A record of declarations executed pursuant to section 2133.02 of the Revised Code and durable powers of attorney for health care executed pursuant to section 1337.12 of the Revised Code.

All instruments or memoranda of instruments entitled to record shall be recorded in the proper record in the order in which they are presented for

record. The recorder may index, keep, and record in one volume unemployment compensation liens, internal revenue tax liens and other liens in favor of the United States as described in division (A) of section 317.09 of the Revised Code, personal tax liens, mechanic's liens, agricultural product liens, notices of liens, certificates of satisfaction or partial release of estate tax liens, discharges of recognizances, excise and franchise tax liens on corporations, broker's liens, and liens provided for in sections 1513.33, 1513.37, 3752.13, 5111.021, and 5311.18 of the Revised Code.

The recording of an option to purchase real estate, including any supplement, modification, and amendment of the option, under this section shall serve as notice to any purchaser of an interest in the real estate covered by the option only during the period of the validity of the option as stated in the option.

(G) In lieu of keeping the six separate sets of records required in divisions (A) to (F) of this section and the records required in division (H) of this section, a county recorder may record all the instruments required to be recorded by this section in two separate sets of record books. One set shall be called the "official records" and shall contain the instruments listed in divisions (A), (B), (C), (E), (F), and (H) of this section. The second set of records shall contain the instruments listed in division (D) of this section.

(H) Except as provided in division (G) of this section, the county recorder shall keep a separate set of records containing all corrupt activity lien notices filed with the recorder pursuant to section 2923.36 of the Revised Code and a separate set of records containing all medicaid fraud lien notices filed with the recorder pursuant to section 2933.75 of the Revised Code.

Sec. 323.25. When taxes charged against an entry on the tax duplicate, or any part of such taxes, are not paid within sixty days after delivery of the delinquent land duplicate to the county treasurer as prescribed by section 5721.011 of the Revised Code, the county treasurer shall enforce the lien for such taxes by civil action in the treasurer's official capacity as treasurer, for the sale of such premises, in the court of common pleas of the county in the same way mortgage liens are enforced. If the delinquent land duplicate lists minerals or rights to minerals listed pursuant to sections 5713.04, 5713.05, and 5713.06 of the Revised Code, the county treasurer may enforce the lien for taxes against such minerals or rights to minerals by civil action, in the treasurer's official capacity as treasurer, in the manner prescribed by this section, or proceed as provided under section ~~5721.30~~ 5721.46 of the Revised Code.

If service by publication is necessary, such publication shall be made

once a week for three consecutive weeks instead of as provided by the Rules of Civil Procedure, and the service shall be complete at the expiration of three weeks after the date of the first publication. If the prosecuting attorney determines that service upon a defendant may be obtained ultimately only by publication, the prosecuting attorney may cause service to be made simultaneously by certified mail, return receipt requested, ordinary mail, and publication. The treasurer shall not enforce the lien for taxes against real property ~~that~~ to which any of the following applies:

(A) The real property is the subject of an application for exemption from taxation under section 5715.27 of the Revised Code and ~~that~~ does not appear on the delinquent land duplicate;

(B) The real property is the subject of a valid undertaking under section 323.31 Of the Revised Code for which the county treasurer has not made certification to the county auditor that the undertaking has become void in accordance with that section;

(C) A tax certificate respecting that property has been sold under section 5721.32 or 5721.33 Of the Revised Code; provided, however, that nothing in this division shall prohibit the county treasurer or the county prosecuting attorney from enforcing the lien of the state and its political subdivisions for taxes against a certificate parcel with respect to any or all of such taxes that at the time of enforcement of such lien are not the subject of a tax certificate.

Upon application of the plaintiff, the court shall advance such cause on the docket, so that it may be first heard.

Sec. 323.31. (A) Delinquent taxes charged against any entry of real property may be paid pursuant to this division by the person who owns the real property or is a vendee in possession under a purchase agreement or land contract after entering into a written undertaking with the county treasurer in a form prescribed or approved by the tax commissioner. The undertaking may be entered into at any time prior to the ~~county prosecuting attorney's~~ commencement of foreclosure proceedings by the county treasurer and the county prosecuting attorney pursuant to section 323.25 Of the Revised Code or by the county prosecuting attorney pursuant to section 5721.18 of the Revised Code, the commencement of foreclosure proceedings by a private attorney pursuant to section 5721.37 Of the Revised Code, or the commencement of foreclosure and forfeiture proceedings pursuant to section 5721.14 of the Revised Code. A duplicate copy of each such undertaking shall be filed with the county auditor, who shall attach the copy to the delinquent land tax certificate or delinquent vacant land tax certificate, or who shall enter an asterisk in the margin next

to the entry for the tract or lot on the master list of delinquent tracts or master list of delinquent vacant tracts, prior to filing it with the prosecuting attorney under section 5721.13 of the Revised Code. If the undertaking is entered into after the certificate or the master list has been filed with the prosecuting attorney, the treasurer shall file the duplicate copy with the prosecuting attorney. A duplicate copy of each such undertaking shall be mailed by first class mail to each certificate holder, as defined in section 5721.30 Of the Revised Code, whose certificate parcel, as defined in section 5721.30 Of the Revised Code, is the subject of the undertaking.

An undertaking entered into under this division shall provide for the payment of delinquent taxes in installments over a period not to exceed five years beginning on the earliest date delinquent taxes that are the subject of the undertaking were included in a certification under section 5721.011 of the Revised Code; however, a person entering into an undertaking who owns and occupies residential real property may request, and the treasurer shall allow, an undertaking providing for payment in installments over a period of no fewer than two years beginning on that date.

For each undertaking, the county treasurer shall determine and shall specify in the undertaking the number of installments, the amount of each installment, and the schedule for payment of the installments. Each installment payment shall be apportioned among the several funds for which taxes have been assessed and shall be applied to the items of taxes charged in the order in which they became due.

When an installment payment is not received by the treasurer when due or any current taxes charged against the property become delinquent, the undertaking becomes void unless the treasurer permits a new undertaking to be entered into; if the treasurer does not permit a new undertaking to be entered into, the treasurer shall certify to the auditor that the undertaking has become void. A new undertaking entered into under this paragraph shall provide for payment of the outstanding balance of delinquent taxes over a period that, when added to the periods of any previous undertakings that had elapsed prior to their becoming void, does not exceed ten years.

Upon receipt of such a certification, the auditor shall destroy the duplicate copy of the undertaking. If such copy has been filed with the prosecuting attorney, the auditor immediately shall deliver the certification to the prosecuting attorney, who shall attach it to the appropriate certificate and the duplicate copy of the voided undertaking or strike through the asterisk entered in the margin of the master list next to the entry for the tract or lot that is the subject of the voided undertaking. The prosecuting attorney then shall institute a proceeding to foreclose the lien of the state in

accordance with section 323.25 or 5721.18 of the Revised Code or, in the case of delinquent vacant land, shall institute a foreclosure proceeding in accordance with section 323.25 or 5721.18 of the Revised Code, or a foreclosure and forfeiture proceeding in accordance with section 5721.14 of the Revised Code.

After a tax certificate has been sold respecting a delinquent parcel under section 5721.32 or 5721.33 Of the Revised Code, a written undertaking may not be entered into under this section to pay the delinquent amounts. To pay the delinquency in installments, the owner or other person seeking to redeem the parcel shall enter into a redemption payment plan under division (C) of section 5721.38 Of the Revised Code.

(B) Within ten days after the date prescribed by section 323.12 or 323.17 of the Revised Code for payment of the first half installment of the current taxes, any person failing to pay the amount required by such date, with the consent of the treasurer, may enter into a written undertaking with the treasurer, in a form prescribed by the tax commissioner, to pay all current taxes pursuant to this division. The agreement shall provide for the entire amount of such taxes to be paid in three or fewer installments before the date set by section 323.12 or 323.17 of the Revised Code for the payment of the second installment of such taxes. Each payment made under this division shall be not less than one-third of the total amount of the current taxes, unless the collection of a particular tax has been legally enjoined, or unless at any scheduled payment date less than one-third of the total amount remains unpaid, in which case the total balance shall be paid.

If a payment is not received by the treasurer when due under the terms of an undertaking made under this division, the treasurer may permit the taxpayer to make the payment at a later date, provided the payment is received before the date set by section 323.12 or 323.17 of the Revised Code for the payment of the second installment of current taxes. If the total taxes arranged to be paid pursuant to such an undertaking are not received before such date, the undertaking shall become void and the treasurer shall proceed to collect all unpaid taxes then due by any other means provided by law.

(C) A certificate holder, as defined in section 5721.30 Of the Revised Code, may also pay all of any delinquent taxes, assessments, penalties, interest, and charges on the related certificate parcel, as defined in section 5721.30 Of the Revised Code, the lien against which has not been transferred by the sale of a tax certificate, as defined in section 5721.30 Of the Revised Code, and the amount of the payment shall constitute a separate lien against the certificate parcel which shall be evidenced by the issuance by the treasurer to the certificate holder of an additional tax certificate with

respect to the delinquent taxes, assessments, penalties, interest, and fees so paid on the related certificate parcel. The amount of the payment as set forth in the tax certificate shall earn interest at the rate of eighteen per cent per year. If there are multiple certificate holders with respect to a certificate parcel, the certificate holder of the most recently issued tax certificate has the first right to pay any current delinquent taxes, which right shall be exercised, if at all, within one hundred eighty days after such taxes become delinquent.

Sec. 1109.65. In order to protect its interest in a property, a bank may purchase a tax certificate under section 5721.32 or 5721.33 Of the Revised Code.

Sec. 5301.25. (A) All deeds, land contracts referred to in division (B)(2) of section 317.08 of the Revised Code, and instruments of writing properly executed for the conveyance or encumbrance of lands, tenements, or hereditaments, other than as provided in division (C) of this section and section 5301.23 of the Revised Code, shall be recorded in the office of the county recorder of the county in which the premises are situated, and until so recorded or filed for record, they are fraudulent, so far as relates to a subsequent bona fide purchaser having, at the time of purchase, no knowledge of the existence of such former deed or land contract or instrument.

(B) Whenever a survey is made of lands which are being conveyed, the county auditor shall require that the name of the person who made the survey appear in the deed. Such name shall either be printed, typewritten, stamped, or signed in a legible manner. An instrument is in compliance with this section if it contains a statement in the following form:

"A survey of this property was made by ....." (Name)

~~Division (B) of this section~~ This division does not apply to any court decree, order, judgment, or writ, nor to any instrument executed or acknowledged outside of this state, or executed within this state prior to September 20, 1965.

(C) All tax certificates sold pursuant to section 5721.32 or 5721.33 Of the Revised Code, or memoranda thereof, may be recorded in the office of the county recorder of the county in which the premises are situated, as provided in division (B) of section 5721.35 Of the Revised Code; provided, however, that the first and superior lien of the state and its taxing districts conveyed to the holder of the tax certificate, as provided in division (A) of section 5721.35 Of the Revised Code, shall in no way be diminished or adversely affected if the tax certificate evidencing the conveyance of such first and superior lien, or memorandum thereof, is not recorded as provided

in this section.

Sec. 5528.51. As used in sections 5528.51 to 5328.56 of the Revised Code:

(A) "Bond proceedings" means the resolutions, trust agreements, indentures, and other agreements, credit enhancement facilities, and amendments and supplements to the foregoing, or any one or more or combination thereof, authorizing, awarding, or providing for the terms and conditions applicable to or providing for the security or liquidity of obligations, and the provisions contained in those obligations.

(B) "Bond service charges" means principal, including any mandatory sinking fund or redemption requirements for retirement of obligations, interest and other accreted amounts, and any redemption premium, payable on obligations.

(C) "Bond service fund" means the fund, and any accounts in that fund, created by section 5528.55 of the Revised Code, including all moneys and investments, and earnings from investments, credited and to be credited to that fund and accounts as and to the extent provided in the bond proceedings.

(D) "Commissioners of the sinking fund" or "commissioners" means the board of commissioners of the sinking fund referred to in Section 8 of Article VIII, Ohio Constitution, and section 129.01 of the Revised Code.

(E) "Costs of projects" means the costs of acquiring, constructing, reconstructing, rehabilitating, remodeling, renovating, enlarging, improving, equipping, or furnishing projects, and the financing thereof, including the cost of clearance and preparation of the site and of any land to be used in connection with projects, the cost of any indemnity and surety bonds and premiums on insurance, all related direct administrative expenses and allocable portions of direct costs of the commissioners and department of transportation, cost of engineering and architectural services, designs, plans, specifications, surveys, and estimates of cost, legal fees, fees and expenses of trustees, depositories, and paying agents for the obligations, cost of issuance of the obligations and financing charges and fees and expenses of financial advisers and consultants in connection therewith, interest on obligations from the date thereof to the time when interest is to be covered from sources other than proceeds of obligations, amounts necessary to establish any reserves as required by the bond proceedings, costs of audits, the reimbursement of all moneys advanced or applied by or borrowed from any governmental agency, whether to or by the commissioners or others, from whatever source provided, for the payment of any item or items of cost of projects, and all other expenses necessary or incident to planning or

determining feasibility or practicability with respect to projects, and such other expenses as may be necessary or incident to the acquisition, construction, reconstruction, rehabilitation, remodeling, renovation, enlargement, improvement, equipment, and furnishing of projects, the financing thereof and the placing of the same in use and operation, including any one, part of, or combination of such classes of costs and expenses.

(F) "Credit enhancement facilities," "financing costs," and "interest" or "interest equivalent" have the meanings as in section 133.01 of the Revised Code.

(G) "Infrastructure project obligations" means those obligations issued for a project pursuant to section 5531.10 Of the Revised Code.

(H) "Local government entity" means any county, municipal corporation, township, or transportation improvement district, or any other local government agency designated by law including by any capital appropriations act.

~~(H)~~(I) "Net proceeds" means amounts received from the sale of obligations, excluding amounts used to refund or retire outstanding obligations, and does not include amounts required to be deposited into special funds pursuant to the applicable bond proceedings, or financing costs paid from such amounts received.

~~(I)~~(J) "Obligations" means bonds, notes, or other evidences of obligation of the state, including any interest coupons pertaining thereto, issued pursuant to sections 5528.51 to 5528.56 of the Revised Code.

~~(J)~~(K) "Principal amount" means the aggregate of the amount as stated or provided for in the bond proceedings authorizing the obligations as the amount on which interest or interest equivalent is initially calculated and shall not include any premium paid by the initial purchaser of the obligations.

~~(K)~~(L) "Project" means highway capital improvements, which shall be limited to highways, including those on the state highway system and urban extensions thereof, those within or leading to public parks or recreation areas, and those within or leading to municipal corporations.

~~(L)~~(M) "Special funds" or "funds", unless the context indicates otherwise, means the bond service fund, and any other funds, including any reserve funds, created under the bond proceedings and stated to be special funds in those proceedings, including all moneys and investments, and earnings from investments, credited and to be credited to the particular fund. Special funds do not include the highway capital improvement fund created by section 5528.53 of the Revised Code or other funds created by the bond proceedings that are not stated by those proceedings to be special funds.

Sec. ~~5538.53~~ 5528.53. The highway capital improvement fund is hereby created in the state treasury. The fund shall consist of the proceeds of obligations issued pursuant to sections 5528.51 to 5528.56 of the Revised Code, except for amounts deposited into special funds, or into escrow funds for the purpose of refunding outstanding obligations, or pursuant to section 5528.57 Of the Revised Code. Money to the credit of this fund may be expended to pay costs of projects. All investment earnings of the fund shall be credited to the fund. To the extent practicable, Ohio products, materials, services, and labor shall be used in any project financed in whole or in part from the fund.

Sec. 5528.54. (A) The commissioners of the sinking fund are authorized to issue and sell, as provided in this section and in amounts from time to time authorized by the general assembly, general obligations of this state for the purpose of financing or assisting in the financing of the costs of projects. The full faith and credit, revenues, and taxing power of the state are and shall be pledged to the timely payment of bond service charges on outstanding obligations, all in accordance with Section 2m of Article VIII, Ohio Constitution and sections 5528.51 to 5528.56 of the Revised Code, and so long as such obligations are outstanding there shall be levied and collected excises, taxes, and other revenues in amounts sufficient to pay the bond service charges on such obligations and costs relating to credit enhancement facilities.

(B) Not more than two hundred twenty million dollars principal amount of obligations, plus the principal amount of obligations that in any prior fiscal years could have been, but were not issued within that two-hundred-twenty-million-dollar fiscal year limit, may be issued in any fiscal year, and not more that one billion two hundred million dollars principal amount of obligations may be outstanding at any one time, all determined as provided in sections 5528.51 to 5528.56 of the Revised Code.

(C) The state may participate in financing projects by grants, loans, or contributions to local government entities.

(D) Each issue of obligations shall be authorized by resolution of the commissioners. The bond proceedings shall provide for the principal amount or maximum principal amount of obligations of an issue, and shall provide for or authorize the manner for determining the principal maturity or maturities, not exceeding the earlier of thirty years from the date of issuance of the particular obligations or thirty years from the date the debt represented by the particular obligations was originally contracted, the interest rate or rates, the date of and the dates of payment of interest on the obligations, their denominations, and the establishment within or outside the

state of a place or places of payment of bond service charges. Sections 9.96, 9.98, 9.981, 9.982, and 9.983 of the Revised Code are applicable to the obligations. The purpose of the obligations may be stated in the bond proceedings as "financing or assisting in the financing of highway capital improvement projects as provided in Section 2m of Article VIII, Ohio Constitution."

(E) The proceeds of the obligations, except for any portion to be deposited into special funds, or ~~in~~ into escrow funds for the purpose of refunding outstanding obligations, or pursuant to section 5528.57 Of the Revised Code, all as may be provided in the bond proceedings, shall be deposited into the highway capital improvement fund established by section 5528.53 of the Revised Code.

(F) The commissioners may appoint or provide for the appointment of paying agents, bond registrars, securities depositories, and transfer agents, and may retain the services of financial advisers and accounting experts, and retain or contract for the services of marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors, including printing services, as are necessary in the judgment of the commissioners to carry out sections 5528.51 to 5528.56 of the Revised Code. Financing costs are payable, as provided in the bond proceedings, from the proceeds of the obligations, from special funds, or from other moneys available for the purpose.

(G) The bond proceedings, including any trust agreement, may contain additional provisions customary or appropriate to the financing or to the obligations or to particular obligations including, but not limited to:

(1) The redemption of obligations prior to maturity at the option of the state or of the holder or upon the occurrence of certain conditions at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) The form of and other terms of the obligations;

(3) The establishment, deposit, investment, and application of special funds, and the safeguarding of moneys on hand or on deposit, in lieu of otherwise applicable provisions of Chapter 131. or 135. of the Revised Code, but subject to any special provisions of this section with respect to particular funds or moneys, and provided that any bank or trust company that acts as a depository of any moneys in special funds may furnish such indemnifying bonds or may pledge such securities as required by the commissioners;

(4) Any or every provision of the bond proceedings binding upon the commissioners and such state agency or local government entities, officer,

board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(5) The maintenance of each pledge, any trust agreement, or other instrument composing part of the bond proceedings until the state has fully paid or provided for the payment of the bond service charges on the obligations or met other stated conditions;

(6) In the event of default in any payments required to be made by the bond proceedings, or any other agreement of the commissioners made as part of a contract under which the obligations were issued or secured, the enforcement of such payments or agreements by mandamus, suit in equity, action at law, or any combination of the foregoing;

(7) The rights and remedies of the holders of obligations and of the trustee under any trust agreement, and provisions for protecting and enforcing them, including limitations on rights of individual holders of obligations;

(8) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen;

(9) Provision for the funding, refunding, or advance refunding or other provision for payment of obligations that will then no longer be outstanding for purposes of sections 5528.51 to 5528.56 of the Revised Code or of the bond proceedings;

(10) Any provision that may be made in bond proceedings or a trust agreement, including provision for amendment of the bond proceedings;

(11) Any other or additional agreements with the holders of the obligations relating to any of the foregoing;

(12) Such other provisions as the commissioners determine, including limitations, conditions, or qualifications relating to any of the foregoing.

(H) The great seal of the state or a facsimile of that seal may be affixed to or printed on the obligations. The obligations requiring signatures by the commissioners shall be signed by or bear the facsimile signatures of two or more of the commissioners as provided in the bond proceedings. Any obligations may be signed by the person who, on the date of execution, is the authorized signer although on the date of such obligations such person was not a commissioner. In case the individual whose signature or a facsimile of whose signature appears on any obligation ceases to be a commissioner before delivery of the obligation, such signature or facsimile is nevertheless valid and sufficient for all purposes as if that individual had remained the member until such delivery, and in case the seal to be affixed

to or printed on obligations has been changed after the seal has been affixed to or a facsimile of the seal has been printed on the obligations, that seal or facsimile seal shall continue to be sufficient as to those obligations and obligations issued in substitution or exchange therefor.

(I) The obligations are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. Obligations may be issued in coupon or in fully registered form, or both, as the commissioners determine. Provision may be made for the registration of any obligations with coupons attached as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion. Pending preparation of definitive obligations, the commissioners may issue interim receipts or certificates which shall be exchanged for such definitive obligations.

(J) Obligations may be sold at public sale or at private sale, and at such price at, above or below par, as determined by the commissioners in the bond proceedings.

(K) In the discretion of the commissioners, obligations may be secured additionally by a trust agreement between the state and a corporate trustee which may be any trust company or bank having its principal place of business within the state. Any trust agreement may contain the resolution authorizing the issuance of the obligations, any provisions that may be contained in the bond proceedings, and other provisions that are customary or appropriate in an agreement of the type.

(L) Except to the extent that their rights are restricted by the bond proceedings, any holder of obligations, or a trustee under the bond proceedings may by any suitable form of legal proceedings protect and enforce any rights under the laws of this state or granted by the bond proceedings. Such rights include the right to compel the performance of all duties of the commissioners and the state. Each duty of the commissioners and its employees, and of each state agency and local government entity and its officers, members, or employees, undertaken pursuant to the bond proceedings, is hereby established as a duty of the commissioners, and of each such agency, local government entity, officer, member, or employee having authority to perform such duty, specifically enjoined by the law and resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code. The persons who are at the time the commissioners of the sinking fund, or its employees, are not liable in their

personal capacities on any obligations or any agreements of or with the commissioners relating to obligations or under the bond proceedings.

(M) The commissioners may authorize and issue obligations for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of any obligations previously issued. Such refunding obligations may be issued in amounts sufficient to pay or to provide for payment of the principal amount, including principal amounts maturing prior to the redemption of the remaining obligations, any redemption premium, and interest accrued or to accrue to the maturity or redemption date or dates, payable on the refunded obligations, and related financing costs and any expenses incurred or to be incurred in connection with such issuance and refunding. Subject to the applicable bond proceedings, the portion of the proceeds of the sale of refunding obligations issued under this division to be applied to bond service charges on the prior obligations shall be credited to an appropriate separate account in the bond service fund and held in trust for the purpose by the commissioners or by a corporate trustee. Obligations authorized under this division shall be considered to be issued for those purposes for which such prior obligations were issued, and, except as otherwise provided in sections 5528.51 to 5528.56 of the Revised Code pertaining to other obligations.

(N) The commissioners may authorize and issue obligations in the form of bond anticipation notes and renew those notes from time to time by the issuance of new notes. The holders of such notes or appertaining interest coupons have the right to have bond service charges on those notes paid solely from the moneys and special funds that are or may be pledged to the payment of bond service charges on those notes, including the proceeds of such bonds or renewal notes, or both, as the commissioners provide in the bond proceedings authorizing the notes. Such notes may be additionally secured by convenants of the commissioners to the effect that the commissioners and the state will do such or all things necessary for the issuance of bonds or renewal notes in the appropriate amount, and apply the proceeds thereof to the extent necessary, to make full and timely payment of the principal of and interest on such notes as provided in such bond proceedings. For such purposes, the commissioners may issue bonds or renewal notes in such principal amount and upon such terms as may be necessary to provide moneys to pay when due the principal of and interest on such notes. Except as otherwise provided in sections 5528.51 to 5528.56 of the Revised Code, notes authorized pursuant to this division are subject to sections 5528.51 to 5528.56 of the Revised Code pertaining to other

bligations.

The commissioners in the bond proceedings authorizing the issuance of bond anticipation notes shall set forth for the bonds anticipated by such notes an estimated schedule of annual principal payments for such bonds over a period of thirty years from the earlier of the date of issuance of the notes or the date of original issuance of prior notes in anticipation of those bonds. While the notes are outstanding there shall be deposited, as shall be provided in the bond proceedings for those notes, from the sources authorized for payment of bond service charges on the bonds, amounts sufficient to pay the principal of the bonds anticipated as set forth in that estimated schedule during the time the notes are outstanding, which amounts shall be used solely to pay the principal of those notes or of the bonds anticipated.

(O) Refunding or renewal obligations issued pursuant to division (M) or (N) of this section shall not be counted against the limitation on principal amount provided for in division (B) of this section and shall be in addition to the amount authorized by the general assembly as provided for in division (A) of this section, to the extent the principal amount of those obligations does not exceed the then outstanding principal amount of the obligations to be refunded, renewed, or retired. For the purposes of this section only, the principal amount of an obligation issued to refund an outstanding obligation is the amount on which interest or interest equivalent is initially calculated and shall not be considered to include any premium paid by the initial purchaser of such obligation.

(P) Obligations are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund, the administrator of workers' compensation, subject to the approval of the workers' compensation board and the industrial commission, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the police and firemen's disability and pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any state agency with respect to investments by them, and are also acceptable as security for the deposit of public moneys.

(Q) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the special funds established by or pursuant to

this section may be invested by or on behalf of the commissioners only in notes, bonds, or other direct obligations of the United States or of any agency or instrumentality thereof, in obligations of this state or any political subdivision of this state, in certificates of deposit of any national bank located in this state and any bank, as defined in section 1101.01 of the Revised Code, subject to inspection by the superintendent of financial institutions, in the Ohio subdivision's fund established pursuant to section 135.45 of the Revised Code, in no-front-end-load money market mutual funds consisting exclusively of direct obligations of the United States or of an agency or instrumentality thereof, and in repurchase agreements, including those issued by any fiduciary, secured by direct obligations of the United States or an agency or instrumentality thereof, and in common trust funds established in accordance with section 1109.20 of the Revised Code and consisting exclusively of direct obligations of the United States or of an agency or instrumentality thereof, notwithstanding division (A)(4) of that section. The income from investments shall be credited to such special funds or otherwise as the commissioners determine in the bond proceedings, and the investments may be sold or exchanged at such times as the commissioners determine or authorize.

(R) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in a special fund shall be disbursed on the order of the commissioners, provided that no such order is required for the payment from the bond service fund or other special fund when due of bond service charges or required payments under credit enhancement facilities.

(S) The commissioners may covenant in the bond proceedings, and any such covenants shall be controlling notwithstanding any other provision of law, that the state and the applicable officers and agencies of the state, including the general assembly, shall, so long as any obligations are outstanding in accordance with their terms, maintain statutory authority for and cause to be charged and collected taxes, excises, and other receipts of the state so that the receipts to the bond service fund shall be sufficient in amounts to meet bond service charges and for the establishment and maintenance of any reserves and other requirements, including payment of financing costs, provided for in the bond proceedings.

(T) The obligations, and the transfer of, and the interest, interest equivalent, and other income and accreted amounts from, including any profit made on the sale, exchange, or other disposition of, the obligations shall at all times be free from taxation, direct or indirect, within the state.

Sec. 5528.57. (A) The commissioners of the sinking fund may authorize and enter into agreements regarding the issuance of general obligations, and

may authorize the issuance of those general obligations pursuant to such agreements, within amounts authorized from time to time by the general assembly, in support of and in combination with the issuance of infrastructure project obligations pursuant to section 5531.10 Of the Revised Code for the purpose of assisting in the financing of projects, all in accordance with section 2m of Article VIII, Ohio Constitution, and sections 5528.51 to 5528.56 Of the Revised Code except as otherwise provided in this section. Any agreement authorized and entered into under this section may be irrevocable and may contain such other terms and conditions as shall be approved by the commissioners consistent with this section and sections 5528.51 to 5528.56 Of the Revised Code.

(B) The principal amount of obligations at the time authorized by the commissioners to be issued pursuant to this section shall be included in the fiscal year limitation provided for in division (B) of section 5528.54 Of the Revised Code for the fiscal year in which the authorization occurs and shall also be included in the maximum principal amount which may be outstanding at any one time under division (B) of section 5528.54 Of the Revised Code until such time as the related infrastructure project obligations are no longer outstanding. The commissioners shall covenant with the holders of the related infrastructure project obligations issued in combination with general obligations under this section that the obligations that may be issued under section 5528.54 Of the Revised Code shall not exceed the limits set forth in this section, and such covenant may be enforced as provided in division (L) of section 5528.54 Of the Revised Code.

(C) Except as otherwise provided in this section, sections 5528.51 to 5528.56 Of the Revised Code apply to obligations authorized under this section.

(D) The bond proceedings for obligations issued under this section may provide that the sale proceeds of the obligations shall be deposited in a special fund and used to pay bond service charges on the infrastructure project obligations or that those obligations, which need not be interest-bearing, may be deposited with the trustee for the infrastructure project obligations, in either case in exchange for an assignment of all or part of the revenues to be received by the trustee for payment of bond service charges on those infrastructure project obligations.

(E) Any agreement authorized and delivered under this section in combination with infrastructure project obligations shall be presumed to be in conformity with all legal requirements, and its terms and provisions shall be incontestable unless otherwise challenged in the manner referred to in

division (B) of section 133.02 Of the Revised Code prior to the delivery of the related infrastructure project obligations.

Sec. 5721.01. (A) As used in this chapter:

(1) "Delinquent lands" means all lands upon which delinquent taxes, as defined in section 323.01 of the Revised Code, remain unpaid at the time a settlement is made between the county treasurer and auditor pursuant to division (C) of section 321.24 of the Revised Code.

(2) "Delinquent vacant lands" means all lands that have been delinquent lands for at least five years and that are unimproved by any dwelling.

(B) As used in sections 5719.04 ~~and~~, 5721.03, and 5721.31 of the Revised Code and in any other sections of the Revised Code to which those sections are applicable, a newspaper or newspaper of general circulation shall be a publication bearing a title or name, regularly issued as frequently as once a week for a definite price or consideration paid for by not less than fifty per cent of those to whom distribution is made, having a second class mailing privilege, being not less than four pages, published continuously during the immediately preceding one-year period, and circulated generally in the political subdivision in which it is published. Such publication shall be of a type to which the general public resorts for passing events of a political, religious, commercial, and social nature, current happenings, announcements, miscellaneous reading matter, advertisements, and other notices.

Sec. 5721.03. (A) At the time of making the delinquent land list, as provided in section 5721.011 of the Revised Code, the county auditor shall compile a delinquent tax list consisting of all lands on the delinquent land list on which taxes have become delinquent at the close of the collection period immediately preceding the making of the delinquent land list. The auditor shall also compile a delinquent vacant land tax list of all delinquent vacant lands prior to the institution of any foreclosure and forfeiture actions against delinquent vacant lands under section 5721.14 of the Revised Code or any foreclosure actions against delinquent vacant lands under section 5721.18 of the Revised Code.

The delinquent tax list, and the delinquent vacant land tax list if one is compiled, shall contain all of the information included on the delinquent land list, except that, if the auditor's records show that the name of the person in whose name the property currently is listed is not the name that appears on the delinquent land list, the name used in the delinquent tax list or the delinquent vacant land tax list shall be the name of the person the auditor's records show as the person in whose name the property currently is listed.

Lands that have been included in a previously published delinquent tax list shall not be included in the delinquent tax list so long as taxes have remained delinquent on such lands for the entire intervening time.

In either list, there may be included lands that have been omitted in error from a prior list and lands with respect to which the auditor has received a certification that an undertaking has become void since the publication of the last previously published list, provided the name of the owner was stricken from a prior list under section 5721.02 of the Revised Code.

(B)(1) The auditor shall cause the delinquent tax list and the delinquent vacant land tax list, if one is compiled, to be published twice within sixty days after the delivery of the delinquent land duplicate to the county treasurer, in a newspaper of general circulation in the county. The publication shall be printed in the English language.

The auditor shall insert display notices of the forthcoming publication of the delinquent tax list and, if it is to be published, the delinquent vacant land tax list once a week for two consecutive weeks in a newspaper of general circulation in the county. The display notices shall contain the times and methods of payment of taxes provided by law, including information concerning installment payments made in accordance with a written undertaking. The display notice for the delinquent tax list also shall include a notice that an interest charge will accrue on accounts remaining unpaid after the last day of November unless the taxpayer enters a written undertaking to pay such taxes in installments. The display notice for the delinquent vacant land tax list if it is to be published also shall include a notice that delinquent vacant lands in the list are lands on which taxes have remained unpaid for five years after being certified delinquent, and that they are subject to foreclosure proceedings as provided in section 323.25 or 5721.18 of the Revised Code, or foreclosure and forfeiture proceedings as provided in section 5721.14 of the Revised Code. Each display notice also shall <u>state that the lands are subject to a tax certificate sale under section 5721.32 or 5721.33 Of the Revised Code, as the case may be, and shall</u> include any other information that the auditor considers pertinent to the purpose of the notice. The display notices shall be furnished by the auditor to the newspapers selected to publish the lists at least ten days before their first publication.

(2) Publication of the list or lists may be made by a newspaper in installments, provided the complete publication of each list is made twice during the sixty-day period.

(3) There shall be attached to the delinquent tax list a notice that the

delinquent lands will be certified for foreclosure by the auditor unless the taxes, assessments, interest, and penalties due and owing on them are paid. There shall be attached to the delinquent vacant land tax list, if it is to be published, a notice that delinquent vacant lands will be certified for foreclosure or foreclosure and forfeiture by the auditor unless the taxes, assessments, interest, and penalties due and owing on them are paid within twenty-eight days after the final publication of the notice.

(4) The auditor shall review the first publication of each list for accuracy and completeness and may correct any errors appearing in the list in the second publication.

(C) For the purposes of section 5721.18 of the Revised Code, land is first certified delinquent on the date of the certification of the delinquent land list containing that land.

Sec. 5721.06. (A)(1) The form of the notice required to be attached to the published delinquent tax list by division (B)(3) of section 5721.03 of the Revised Code shall be in substance as follows:

"DELINQUENT LAND TAX NOTICE

The lands, lots, and parts of lots returned delinquent by the county treasurer of ..... county, with the taxes, assessments, interest, and penalties, charged against them agreeably to law, are contained and described in the following list: (Here insert the list with the names of the owners of such respective tracts of land or town lots as designated on the delinquent tax list. If, prior to forty-eight hours before the publication of the list, an undertaking has been entered into under section 323.31 of the Revised Code, the owner's name may be stricken from the list or designated by an asterisk shown in the margin next to the owner's name.)

Notice is hereby given that the whole of such several lands, lots, or parts of lots will be certified for foreclosure by the county auditor pursuant to law unless the whole of the delinquent taxes, assessments, interest, and penalties are paid within one year or unless a tax certificate with respect to the parcel is sold under section 5721.32 or 5721.33 Of the Revised Code. The names of persons who have entered into a written undertaking with the county treasurer to discharge the delinquency are designated by an asterisk or have been stricken from the list."

(2) If the county treasurer has certified to the county auditor that the treasurer intends to offer for sale a tax certificate with respect to one or more parcels of delinquent land under section 5721.32 or 5721.33 Of the Revised Code, the form of the notice shall include the following statement, appended after the second paragraph of the notice prescribed by division (A)(1) of this section:

"Notice also is hereby given that a tax certificate may be offered for sale under section 5721.32 or 5721.33 Of the Revised Code with respect to those parcels shown on this list. If a tax certificate on a parcel is purchased, the purchaser of the tax certificate acquires the state's or its taxing district's first lien against the property, and an additional interest charge of up to eighteen per cent per annum shall be assessed against the parcel. In addition, failure by the owner of the parcel to redeem the tax certificate may result in foreclosure proceedings against the parcel. No tax certificate shall be offered for sale if the owner of the parcel has either discharged the lien by paying to the county treasurer in cash the amount of delinquent taxes, assessments, penalties, interest, and charges charged against the property, or has entered into a valid undertaking pursuant to section 323.31 of the Revised Code to pay those amounts in installments."

(B) The form of the notice required to be attached to the published delinquent vacant land tax list by division (B)(3) of section 5721.03 of the Revised Code shall be in substance as follows:

"DELINQUENT VACANT LAND TAX NOTICE

The delinquent vacant lands returned delinquent by the county treasurer of ..... county, with the taxes, assessments, interest, and penalties charged against them according to law, and remaining delinquent for five years, are contained and described in the following list: (here insert the list with the names of the owners of the respective tracts of land as designated on the delinquent vacant land tax list. If, prior to forty-eight hours before the publication of the list, an undertaking has been entered into under section 323.31 of the Revised Code, the owner's name may be stricken from the list or designated by an asterisk shown in the margin next to the owner's name.)

Notice is hereby given that these delinquent vacant lands will be certified for foreclosure or foreclosure and forfeiture by the county auditor pursuant to law unless the whole of the delinquent taxes, assessments, interest, and penalties are paid within twenty-eight days after the final publication of this notice. The names of persons who have entered into a written undertaking with the county treasurer to discharge the delinquency are designated by an asterisk or have been stricken from the list."

Sec. 5721.10. ~~The~~ Except as otherwise provided under sections 5721.30 to 5721.41 Of the Revised Code, the state shall have the first lien on the lands and lots described in the delinquent land list, for the amount of taxes, assessments, interest, and penalty charged prior to the delivery of such list. If the taxes have not been paid for one year after having been certified as delinquent, the state shall institute foreclosure proceedings in the manner provided by sections 5721.01 to 5721.28 of the Revised Code unless a tax

certificate respecting that property has been sold under section 5721.32 or 5721.33 Of the Revised Code, or unless such taxes are the subject of a valid undertaking under section 323.31 of the Revised Code for which the county treasurer has not made certification to the county auditor that the undertaking has become void~~, and there shall be taxed by the~~. The court shall levy, as costs in the foreclosure proceedings instituted on said certification, the cost of an abstract or certificate of title to the property described in said certification, if the same is required by the court, to be paid into the general fund of the county. ~~Such sections~~ sections 5721.01 to 5721.28 Of the Revised Code do not prevent the partial payment of such delinquent taxes, assessments, interest, and penalty during the period the delinquency is being discharged in accordance with an undertaking under section 323.31 of the Revised Code, but such partial payments may be made and received as provided by law without prejudice to the right of the state to institute foreclosure proceedings for any amount then remaining unpaid if the county treasurer certifies to the county auditor that the undertaking has become void.

Sec. 5721.30. As used in sections 5721.30 to 5721.41 Of the Revised Code:

(A) "Tax certificate," "certificate," or "duplicate certificate" means a document which may be issued as a physical certificate, in book-entry form, or through an electronic medium, at the discretion of the county treasurer. Such document shall contain the information required by section 5721.31 Of the Revised Code and shall be prepared, transferred, or redeemed in the manner prescribed by sections 5721.30 to 5721.41 Of the Revised Code. As used in those sections, "tax certificate," "certificate," and "duplicate certificate" do not refer to the delinquent land tax certificate or the delinquent vacant land tax certificate issued under section 5721.13 Of the Revised Code.

(B) "Certificate parcel" means the parcel of delinquent land that is the subject of and is described in a tax certificate.

(C) "Certificate holder" means a person who purchases a tax certificate under section 5721.32 or 5721.33 Of the Revised Code, or a person to whom a tax certificate has been transferred pursuant to section 5721.36 Of the Revised Code.

(D) "Certificate purchase price" means, with respect to the sale of tax certificates under sections 5721.32 and 5721.33 Of the Revised Code, the amount equal to delinquent taxes, assessments, penalties, and interest computed under section 323.121 Of the Revised Code charged against a certificate parcel at the time the tax certificate respecting that parcel is sold,

not including any delinquent taxes, assessments, penalties, interest, and charges, the lien for which has been conveyed to a certificate holder through a prior sale of a tax certificate respecting that parcel; provided, however, that payment of the certificate purchase price in a sale under section 5721.33 Of the Revised Code may be made wholly in cash or partially in cash and partially by noncash consideration acceptable to the county treasurer from the purchaser. In the event that any such noncash consideration is delivered to pay a portion of the certificate purchase price, such noncash consideration may be subordinate to the rights of the holders of other obligations whose proceeds paid the cash portion of the certificate purchase price.

"Certificate purchase price" also includes the amount of the fee charged by the county treasurer to the purchaser of the certificate under division (H) of section 5721.32 Of the Revised Code.

(E) With respect to a sale of tax certificates under section 5721.32 Of the Revised Code and except as provided in division (E)(3) of this section, "certificate redemption price" means the amount determined under division (E)(1) or (2) of this section.

(1) During the first year after the date on which a tax certificate is sold, the sum of the following:

(a) The certificate purchase price;

(b) The greater of the following:

(i) Interest, at the certificate rate of interest, accruing during the certificate interest period on the certificate purchase price;

(ii) Six per cent of the certificate purchase price.

(c) The fee charged by the county treasurer to the purchaser of the certificate under division (H) of section 5721.32 of the Revised Code.

(2) After the first year after the date on which a tax certificate is sold, the sum of the following:

(a)(i) If division (E)(1)(b)(i) applied during the first year, the certificate purchase price;

(ii) If division (E)(1)(b)(ii) applied during the first year, the sum of the certificate purchase price plus six per cent of the certificate purchase price.

(b)(i) If division (E)(1)(b)(i) applied during the first year, interest at the certificate rate of interest accruing during the certificate interest period on the certificate purchase price;

(ii) If division (E)(1)(b)(ii) applied during the first year, interest at the certificate rate of interest, accruing during the part of the certificate interest period that begins one year after the date of the sale of the certificate, on the sum of the certificate purchase price plus six per cent of the certificate purchase price.

(c) The fee charged by the county treasurer to the purchaser of the certificate under division (H) of section 5721.32 of the Revised Code.

(3) If the certificate rate of interest equals zero, the certificate redemption price equals the certificate purchase price plus the fee charged by the county treasurer to the purchaser of the certificate under division (H) of section 5721.32 Of the Revised Code.

(F) With respect to a sale of tax certificates under section 5721.33 Of the Revised Code, "certificate redemption price" means the amount equal to the sum of the following:

(1) The certificate purchase price;

(2) Interest accrued on the certificate purchase price at the certificate rate of interest from the date on which a tax certificate is delivered through and including the day immediately preceding the day on which the certificate redemption price is paid;

(3) The fee, if any, charged by the county treasurer to the purchaser of the certificate under division (J) of section 5721.33 Of the Revised Code;

(4) Any other fees charged by any county office in connection with the recording of tax certificates.

(G) "Certificate rate of interest" means the rate of simple interest per year bid by the winning bidder in an auction of a tax certificate held under section 5721.32 Of the Revised Code, or the rate of simple interest per year not to exceed eighteen per cent per year fixed by the county treasurer with respect to any tax certificate sold pursuant to a negotiated sale under section 5721.33 Of the Revised Code.

(H) "Cash" means United States currency, certified checks, money orders, bank drafts, or electronic transfer of funds, and excludes any other form of payment.

(I) "The date on which a tax certificate is sold," "the date the certificate was sold," "the date the certificate is purchased," and any other phrase of similar content mean, with respect to a sale pursuant to an auction under section 5721.32 Of the Revised Code, the date designated by the county treasurer for the submission of bids and, with respect to a negotiated sale under section 5721.33 Of the Revised Code, the date of delivery of the tax certificates to the purchasers thereof pursuant to a tax certificate sale/purchase agreement.

(J) "Purchaser of a tax certificate pursuant to section 5721.32 Of the Revised Code" means the winning bidder in an auction of a tax certificate held under section 5721.32 Of the Revised Code.

(K) "Certificate interest period" means, with respect to a tax certificate sold under section 5721.32 Of the Revised Code, the period beginning on

the date the certificate is purchased and, with respect to a tax certificate sold under section 5721.33 Of the Revised Code, the period beginning on the date of delivery of the tax certificate, and in either case ending on one of the following dates:

(1) In the case of foreclosure proceedings instituted under section 5721.37 of the Revised Code, the date the certificate holder submits a payment to the treasurer under division (B) of that section;

(2) In the case of a certificate parcel redeemed under division (A) or (C) of section 5721.38 of the Revised Code, the date the owner of record of the certificate parcel, or any other person entitled to redeem that parcel, pays to the county treasurer or to the certificate holder, as applicable, the full amount determined under that section.

(L) "County treasurer" means, with respect to the sale of tax certificates under section 5721.32 Of the Revised Code, the county treasurer of a county having a population of at least two hundred thousand according to the then most recent federal decennial census and, with respect to the sale of tax certificates under section 5721.33 Of the Revised Code, the county treasurer of a county having a population of at least one million four hundred thousand according to the then most recent federal decennial census.

(M) "Qualified trustee" means a trust company within the state or a bank having the power of a trust company within the state with a combined capital stock, surplus, and undivided profits of at least one hundred million dollars.

(N) "Tax certificate sale/purchase agreement" means the purchase and sale agreement described in division (C) of section 5721.33 Of the Revised Code setting forth the certificate purchase price, plus any applicable premium or less any applicable discount, including, without limitation, the amount thereof to be paid in cash and the amount and nature of any noncash consideration, the date of delivery of the tax certificates, and the other terms and conditions of the sale, including, without limitation, the rate of interest that the tax certificates shall bear.

(O) "Noncash consideration" means any form of consideration other than cash, including, but not limited to, promissory notes whether subordinate or otherwise.

(P) "Private attorney" means for purposes of section 5721.37 Of the Revised Code, any attorney licensed to practice law in this state, whether practicing with a firm of attorneys or otherwise, whose license has not been revoked or otherwise suspended and who brings foreclosure proceedings pursuant to section 5721.37 Of the Revised Code on behalf of a certificate holder.

(Q) "Related certificate parcel" means, with respect to a certificate holder, the certificate parcel with respect to which the certificate holder has purchased and holds a tax certificate pursuant to sections 5721.30 to 5721.41 Of the Revised Code and, with respect to a tax certificate, the certificate parcel against which the tax certificate has been sold pursuant to those sections.

Sec. 5721.31. (A) After receipt of a duplicate of the delinquent land list compiled under section 5721.011 of the Revised Code, or a delinquent land list compiled previously under that section, for a county having a population of at least two hundred thousand according to the most recent federal decennial census, the county treasurer may select from the list parcels of delinquent land the lien against which the county treasurer may attempt to transfer by the sale of tax certificates under sections 5721.30 to 5721.41 of the Revised Code. The county treasurer may select only those eligible parcels for which taxes, assessments, penalties, interest, and charges have not yet been paid or for which a valid undertaking under section 323.31 of the Revised Code is not in force. Each certificate shall contain the same information as is required to be contained in the delinquent land list. The county treasurer shall compile a separate list, the list of parcels selected for tax certificate sales, including the same information as is required to be included in the delinquent land list.

Upon compiling the list of parcels selected for tax certificate sales, the county treasurer may conduct a title search for any parcel on the list.

(B)(1) When tax certificates are to be sold under section 5721.32 Of the Revised Code with respect to parcels, the county treasurer shall send written notice by certified or registered mail to either the owner or all interested parties, or both, of each parcel on the list. The notice shall inform the owner or interested parties that a tax certificate will be offered for sale on the parcel, and that the owner or interested parties may incur additional expenses as a result of the sale.

(2) When tax certificates are to be sold under section 5721.33 Of the Revised Code with respect to parcels, the county treasurer, at least ninety days prior to the date of sale of such tax certificates, shall send written notice of the sale by certified or registered mail, or both, to the last known address of the record owner of the property or parcel and to all parties with an interest in the property that has been recorded in the property records of the county pursuant to section 317.08 Of the Revised Code. The notice shall state that a tax certificate will be offered for sale on the parcel, and that the owner or interested parties may incur additional expenses as a result of the sale.

(C) The county treasurer shall advertise the sale of tax certificates under section 5721.32 Of the Revised Code in a manner or medium determined by the county treasurer, in the county treasurer's discretion, to give reasonable notice to parties interested in the purchase of tax certificates. The county treasurer shall advertise the sale of tax certificates in a newspaper of general circulation in the county, once a week for three consecutive weeks. The advertisement shall include the date, the time, and the place of the public auction, descriptions of the parcels, and the names of the owners of record of the parcels.

(D) After the county treasurer has compiled the list of parcels selected for tax certificate sales but before a tax certificate respecting a parcel is sold, if the owner of record of the parcel pays to the county treasurer in cash the full amount of delinquent taxes, assessments, penalties, interest, and charges then due and payable or enters into a valid undertaking under section 323.31 of the Revised Code to pay that amount, the owner of record of the parcel also shall pay a fee in an amount prescribed by the treasurer to cover the administrative costs of the treasurer under this section respecting the parcel and credited to the tax certificate administration fund.

(E) A tax certificate administration fund shall be created in the county treasury of each county selling tax certificates under sections 5721.30 to 5721.41 of the Revised Code. The fund shall be administered by the county treasurer, and used solely for the purposes of sections 5721.30 to 5721.41 of the Revised Code. Any fee received by the treasurer under sections 5721.30 to 5721.41 of the Revised Code shall be credited to the fund, except the bidder registration fee under division (B) of section 5721.32 of the Revised Code and the county prosecuting attorney's fee under division (B)(3) of section 5721.37 of the Revised Code.

(F) The county treasurers of more than one county may jointly conduct a regional sale of tax certificates under section 5721.32 Of the Revised Code. A regional sale shall be held at a single location in one county, where the tax certificates from each of the participating counties shall be offered for sale at public auction. Before the regional sale, each county treasurer shall advertise the sale for the parcels in the treasurer's county as required by division (C) of this section. At the regional sale, tax certificates shall be sold on parcels from one county at a time, with all of the certificates for one county offered for sale before any certificates for the next county are offered for sale.

(G) The tax commissioner shall prescribe the form of the tax certificate under this section, and county treasurers shall use the form prescribed by the commissioner.

Sec. 5721.32. (A) The sale of tax certificates by public auction may be conducted at any time after completion of the advertising of the sale under section 5721.31 of the Revised Code, on the date and at the time and place designated in the advertisements, and may be continued from time to time as the county treasurer directs. The county treasurer may offer the tax certificates for sale in blocks of tax certificates, consisting of any number of tax certificates as determined by the county treasurer.

(B)(1) The sale of tax certificates under this section shall be conducted at a public auction by the county treasurer or a designee of the county treasurer.

(2) No person shall be permitted to bid without completing a bidder registration form, in the form prescribed by the tax commissioner, and filing the form with the county treasurer prior to the start of the auction, together with remittance of a registration fee, in cash, of five hundred dollars. The bidder registration form shall include a tax identification number of the registrant. The registration fee is refundable at the end of bidding on the day of the auction, unless the registrant is the winning bidder for one or more tax certificates or one or more blocks of tax certificates, in which case the fee may be applied toward the deposit required by this section.

(C) At the auction, the county treasurer or the treasurer's designee or agent shall begin the bidding at eighteen per cent per year simple interest, and accept lower bids in even increments of one-fourth of one per cent to the rate of zero per cent. The county treasurer, designee, or agent shall award the tax certificate to the person bidding the lowest certificate rate of interest.

(D) The winning bidder shall pay the county treasurer a cash deposit of at least ten per cent of the certificate purchase price not later than the close of business on the day of the sale. The winning bidder shall pay the balance and the fee required under division (H) of this section not later than five business days after the day on which the certificate is sold. If the winning bidder fails to pay the balance and fee within the prescribed time, the bidder forfeits the deposit, and the county treasurer shall retain the tax certificate and may attempt to sell it at any auction conducted at a later date. The county treasurer shall deposit the forfeited deposit in the county treasury to the credit of the tax certificate administration fund.

(E) Upon receipt of the full payment of the certificate purchase price from the purchaser, the county treasurer shall issue the tax certificate and record the tax certificate sale by marking on the tax certificate and into a tax certificate register, the certificate purchase price, the certificate rate of interest, the date the certificate was sold, and the name and address of the

certificate holder, which may be, upon receipt of instructions from the purchaser, the secured party of the actual purchaser, or an agent or custodian for the purchaser or secured party. The county treasurer also shall transfer the tax certificate to the certificate holder and, upon presentation to the treasurer of instructions signed by the certificate purchaser, shall record in the tax certificate register the name and address of any secured party of the certificate purchaser having a security interest in the tax certificate. Upon the transfer of a tax certificate, the county treasurer shall credit the proceeds from the sale to the items of taxes, assessments, penalties, interest, and charges in the order in which those items became due. Upon completion of the sale of a tax certificate, the delinquent taxes, assessments, penalties, and interest that make up the certificate purchase price are transferred, and the superior lien of the state and its taxing districts for those taxes, assessments, penalties, and interest is conveyed intact to the certificate holder.

(F) If a tax certificate is offered for sale under this section but is not sold, the county treasurer may strike the corresponding certificate parcel from the list of parcels selected for tax certificate sales. The lien for taxes, assessments, charges, penalties, and interest against a parcel stricken from the list thereafter may be foreclosed in the manner prescribed by section 323.25, 5721.14, or 5721.18 of the Revised Code unless, prior to the institution of such proceedings against the parcel, the county treasurer restores the parcel to the list of parcels selected for tax certificate sales.

(G) A certificate holder shall not be liable for damages arising from a violation of sections 3737.87 to 3737.891 or Chapter 3704., 3734., 3745., 3746., 3750., 3751., 3752., 6109., or 6111. Of the Revised Code, or a rule adopted or order, permit, license, variance, or plan approval issued under any of those chapters, that is or was committed by another person in connection with the parcel for which the tax certificate is held.

(H) When selling a tax certificate under this section, the county treasurer shall charge a fee to the purchaser of the certificate. The treasurer shall set the fee at a reasonable amount that covers the treasurer's costs of administering the sale of the tax certificate. The treasurer shall deposit the fee in the county treasury to the credit of the tax certificate administration fund.

(I) After selling a tax certificate under this section, the county treasurer shall send written notice by certified or registered mail to the owner of the certificate parcel. The notice shall inform the owner that the tax certificate was sold, shall describe the owner's options to redeem the parcel, including entering into a redemption payment plan under division (C)(1) of section 5721.38 of the Revised Code, and shall name the certificate holder and its

secured party, if any.

(J) A tax certificate shall not be sold to the owner of the certificate parcel.

Sec. 5721.33. (A) A county treasurer may, in the treasurer's discretion, negotiate the sale of any number of tax certificates with one or more persons, including, without limitation, any premium to be added to or discount to be subtracted from the certificate purchase price for the tax certificates and any other terms of the sale that the county treasurer, in the treasurer's discretion, determines appropriate or necessary for the sale.

(B) The sale of tax certificates under this section shall be governed by the criteria established by the county treasurer pursuant to division (E) of this section.

(C) The county treasurer may execute a tax certificate sale/purchase agreement and other necessary agreements with a designated purchaser or purchasers to complete a negotiated sale of tax certificates.

(D) The tax certificate may be sold at a premium to or discount from the certificate purchase price. The county treasurer may establish as one of the terms of the negotiated sale the portion of the certificate purchase price, plus any applicable premium or less any applicable discount, that the purchaser or purchasers shall pay in cash on the date the tax certificates are sold and the portion, if any, of the certificate purchase price, plus any applicable premium or less any applicable discount, that the purchaser or purchasers shall pay in noncash consideration and the nature of that consideration.

The county treasurer shall sell such tax certificates at a certificate purchase price, plus any applicable premium and less any applicable discount, that, in the treasurer's determination, is in the best interests of the county.

(E)(1) The county treasurer may promulgate rules governing the eligibility of persons to purchase tax certificates or to otherwise participate in a negotiated sale under this section. The rules may provide for precertification of such persons, including a requirement for disclosure of income, assets, and any other financial information the county treasurer determines appropriate. The rules may also prohibit any person that is delinquent in the payment of any tax to the county or to the state, or that is in default in or on any other obligation to the county or to the state, from purchasing a tax certificate or otherwise participating in a negotiated sale of tax certificates under this section. The eligibility information required shall include the tax identification number of the purchaser and may include the tax identification number of the participant.

(2) Any person that intends to purchase a tax certificate in a negotiated

sale shall submit an affidavit to the county treasurer that establishes compliance with the applicable eligibility criteria and includes any other information required by the treasurer. Any person that fails to submit such an affidavit is ineligible to purchase a tax certificate. Any person that knowingly submits a false or misleading affidavit shall forfeit any tax certificate or certificates purchased by the person at a sale for which the affidavit was submitted, shall be liable for payment of the full certificate purchase price, plus any applicable premium and less any applicable discount, of the tax certificate or certificates, and shall be disqualified from participating in any tax certificate sale conducted in the county during the next five years.

(3) A tax certificate shall not be sold to the owner of the certificate parcel or to any corporation, partnership, or association in which such owner has an interest. No person that purchases a tax certificate in a negotiated sale shall assign or transfer the tax certificate to the owner of the certificate parcel or to any corporation, partnership, or association in which the owner has an interest. Any person that knowingly or negligently transfers or assigns such a tax certificate to the owner of the certificate parcel or to any corporation, partnership, or association in which such owner has an interest shall be liable for payment of the full certificate purchase price, plus any applicable premium and less any applicable discount, and shall not be entitled to a refund of any amount paid. Such tax certificate shall be deemed void and the tax lien sold under such tax certificate shall revert to the county as if no sale of such tax certificate had occurred.

(F) The purchaser in a negotiated sale under this section shall deliver the certificate purchase price, plus any applicable premium and less any applicable discount and including any noncash consideration, to the county treasurer not later than the close of business on the date the tax certificates are delivered to the purchaser. The certificate purchase price, plus any applicable premium and less any applicable discount, or portion of the price, that is paid in cash shall be deposited in the county's general fund to the credit of the account to which ad valorem real property taxes are credited and further credited as provided in division (G) of this section. The purchaser shall also pay on the date the tax certificates are delivered to the purchaser the fee, if any, negotiated under division (J) of this section. If the purchaser fails to pay the certificate purchase price, plus any applicable premium and less any applicable discount, and any such fee within the time periods required by this section, the county treasurer shall retain the tax certificate and may attempt to sell it at any auction or negotiated sale conducted at a later date.

(G) Upon receipt of the full payment of the certificate purchase price, plus any applicable premium and less any applicable discount, and the negotiated fee, if any, from the purchaser, the county treasurer, or a qualified trustee whom the treasurer has engaged for such purpose, shall issue the tax certificate and record the tax certificate sale by marking on each of the tax certificates sold or, if issued in book-entry form, on the global tax certificate, and marking into a tax certificate register, the certificate purchase price, any premium paid or discount taken, the certificate rate of interest, the date the certificates were sold, and the name and address of the certificate holder or, in the case of issuance of the tax certificates in a book-entry system, of the nominee, which may be, upon receipt of instructions from the purchaser, the secured party of the actual purchaser, or an agent or custodian for the purchaser or secured party. The county treasurer also shall transfer the tax certificates to the certificate holder and, upon presentation to the treasurer of instructions signed by the certificate purchaser or purchasers, shall record in the tax certificate register the name and address of any secured party of the certificate purchaser or purchasers having a security interest in the tax certificate. Upon the transfer of the tax certificates, the county treasurer shall credit the cash proceeds from the sale to the items of taxes, assessments, penalties, interest, and charges in the order in which those items became due. If the cash proceeds from the sale are not sufficient to fully satisfy, in the order in which it became due, an item of outstanding delinquent taxes, assessments, penalties, interest, and charges on the certificate parcels against which tax certificates were sold, the county treasurer shall credit the cash proceeds to such items pro rata based upon the proportion that each such item of delinquent taxes, assessments, penalties, interest, and charges bears to the aggregate of all such items or by any other method that the county treasurer, in the treasurer's sole discretion, determines is equitable. Upon completion of the sale of the tax certificates, the delinquent taxes, assessments, penalties, and interest that make up the certificate purchase price are transferred, and the superior lien of the state and its taxing districts for those taxes, assessments, penalties, and interest is conveyed intact to the certificate holder or holders.

(H) If a tax certificate is offered for sale under this section but is not sold, the county treasurer may strike the corresponding certificate parcel from the list of parcels selected for tax certificate sales. The lien for taxes, assessments, charges, penalties, and interest against a parcel stricken from the list thereafter may be foreclosed in the manner prescribed by section 323.25, 5721.14, or 5721.18 Of the Revised Code unless, prior to the institution of such proceedings against the parcel, the county treasurer

restores the parcel to the list of parcels selected for tax certificate sales.

(I) Neither a certificate holder nor its secured party, if any, shall be liable for damages arising from a violation of sections 3737.87 to 3737.891 or Chapter 3704, 3734., 3745., 3746., 3750., 3751., 3752., 6109., or 6111. Of the Revised Code, or a rule adopted or order, permit, license, variance, or plan approval issued under any of those chapters, that is or was committed by another person in connection with the parcel for which the tax certificate is held.

(J) When selling a tax certificate under this section, the county treasurer may negotiate with the purchaser of the certificate for a fee paid by the purchaser to the treasurer to reimburse the treasurer for any part or all of the treasurer's costs of preparing for and administering the sale of the tax certificate. Such fee, if any, shall be added to the certificate purchase price of the certificate and shall be paid by the purchaser on the date of delivery of the tax certificate. The treasurer shall deposit the fee in the county treasury to the credit of the tax certificate administration fund.

(K) After selling tax certificates under this section, the county treasurer shall send written notice by certified or registered mail to the last known address of the owner of the certificate parcel. The notice shall inform the owner that a tax certificate with respect to such owner's parcel was sold and shall describe the owner's options to redeem the parcel, including entering into a redemption payment plan under division (C)(2) of section 5721.38 Of the Revised Code.

Sec. 5721.34. (A) A county treasurer shall not sell any tax certificate respecting a parcel of delinquent land upon which the full amount of delinquent taxes, assessments, penalties, interest, charges, and costs then due and payable have been paid, or with respect to which a valid undertaking under section 323.31 of the Revised Code to pay that amount has been entered into, prior to the sale of the certificate by the county treasurer. A certificate sold in violation of this section is void.

(B) If, within sixty days after the date of the sale of a tax certificate, the county treasurer discovers that the certificate is void under division (A) of this section, the holder of the void certificate is entitled to a refund of the certificate purchase price, plus any applicable premium and less any applicable discount, and the fee charged by the treasurer under division (H) of section 5721.32 or division (J) of section 5721.33 of the Revised Code, as applicable. If the county treasurer discovers after that sixty-day period that a tax certificate is void, the holder of the void certificate is entitled to a refund equal to the certificate purchase price, plus any applicable premium and less any applicable discount, and the treasurer's fee, plus interest on the

certificate purchase price, plus any applicable premium and less any applicable discount, at the rate of five per cent per year. The holder of a void certificate shall present the certificate to the county treasurer to obtain the refund, and the county auditor shall issue a warrant for the amount of the refund from the undivided tax fund.

(C) With respect to a tax certificate sold under section 5721.32 Of the Revised Code and found to be void under division (A) of this section, in addition to the remedies available under division (B) of this section, the county treasurer may, with the approval of the certificate holder, substitute for such tax certificate or portion thereof another tax certificate that has a value equivalent to the value of the tax certificate found to be void. Whenever a tax certificate of such equivalent value is to be substituted for a tax certificate that has been found to be void, the county treasurer shall provide written notice of the intention to substitute such tax certificate of equivalent value to any person required to be notified under division (K) of section 5721.32 Of the Revised Code.

Sec. 5721.35. (A) Upon the sale and delivery of a tax certificate, such tax certificate vests in the certificate holder the first lien previously held by the state and its taxing districts under section 5721.10 Of the Revised Code for the amount of taxes, assessments, interest, and penalty charged against a certificate parcel, superior to all other liens and encumbrances upon the parcel described in the tax certificate, in the amount of the certificate redemption price, except liens for delinquent taxes, assessments, penalties, interest, charges, and costs that attached to the certificate parcel prior to the attachment of the lien being conveyed by the sale of such tax certificate. With respect to the priority as among such first liens of the state and its taxing districts for different years, the priority shall be determined by the date such first liens of the state and its taxing districts attached pursuant to section 323.11 Of the Revised Code, with first priority to the earliest attached lien and each immediately subsequent priority based upon the next earliest attached lien.

(B)(1) A certificate holder may record the tax certificate or memorandum thereof in the office of the county recorder of the county in which the certificate parcel is situated, as a mortgage of land under division (B) of section 317.08 Of the Revised Code. The county recorder shall index the certificate in the indexes provided for under section 317.18 Of the Revised Code. If the lien is subsequently canceled, the cancellation also shall be recorded by the county recorder.

(2) Notwithstanding Chapter 1309., Title LIII, or any other provision of the Revised Code, a secured party holding a security interest in a tax

certificate or memorandum thereof may perfect that security interest only by one of the following methods:

(a) Possession;

(b) Registering the tax certificate with the county treasurer in the name of the secured party, or its agent or custodian, as certificate holder;

(c) Recording the name of the secured party in the certificate register in the office of the county treasurer of the county in which the certificate parcel is situated.

Sec. 5721.36. (A)(1) Except as otherwise provided in division (A)(2) of this section, the purchaser of a tax certificate pursuant to section 5721.32 or 5721.33 Of the Revised Code may transfer the certificate to any person, except the owner of the certificate parcel or any corporation, partnership, or association in which such owner has an interest, and the transferee of a tax certificate subsequently may transfer the certificate to any other person, except the owner of the certificate parcel or any corporation, partnership, or association in which such owner has an interest. The transferor of a tax certificate shall endorse the certificate and shall swear to the endorsement before a notary public or other officer empowered to administer oaths. The transferee shall present the endorsed certificate and a notarized copy of a valid form of identification showing the transferee's taxpayer identification number to the county treasurer that prepared and sold the certificate, who shall, upon payment of a fee of twenty dollars to cover the costs associated with the transfer of a tax certificate, enter upon the register of certificate holders opposite the certificate entry the name and address of the transferee, the date of entry, and, upon presentation to the treasurer of instructions signed by the transferee, the name and address of any secured party of the transferee having an interest in the tax certificate. The treasurer shall deposit the fee in the county treasury to the credit of the tax certificate administration fund.

Except as otherwise provided in division (A)(2) of this section, no request for foreclosure or notice of intent to foreclose, as the case may be, shall be filed by any person other than the person shown on the register to be the certificate holder or a private attorney for that person properly authorized to act in that person's behalf.

(2) Upon registration of a security interest with the county treasurer as provided in section 5721.32 or 5721.33 of the Revised Code, both of the following apply:

(a) No purchaser or transferee of a tax certificate may transfer that tax certificate except upon presentation to the treasurer of instructions signed by the secured party authorizing such action.

(b) Only the secured party may issue a request for foreclosure or notice of intent to foreclose concerning that tax certificate.

(B)(1) Application may be made to the county treasurer for a duplicate certificate if a certificate is alleged by affidavit to have been lost or destroyed. The treasurer shall issue a duplicate certificate, upon payment of a fee of twenty dollars to cover the costs of issuing the duplicate certificate. The treasurer shall deposit the fee in the county treasury to the credit of the tax certificate administration fund.

(2) The duplicate certificate shall be plainly marked or stamped "duplicate."

(3) The treasurer shall enter the fact of the duplicate in the register of certificate holders.

Sec. 5721.37. (A)(1) With respect to a tax certificate purchased under section 5721.32 Of the Revised Code, at any time after one year from the date shown on the tax certificate as the date the tax certificate was sold, and not later than three years after that date, the certificate holder may file with the county treasurer a request for foreclosure on a form prescribed by the tax commissioner and provided by the county treasurer, provided the parcel has not yet been redeemed under division (A) or (C) of section 5721.38 of the Revised Code.

(2) With respect to a tax certificate purchased under section 5721.33 Of the Revised Code, at any time after one year from the date shown on the tax certificate as the date the tax certificate was sold, and not later than three years after that date or any extension of that date pursuant to division (C)(2) of section 5721.38 Of the Revised Code, a private attorney on behalf of the certificate holder may file with the county treasurer a notice of intent to foreclose on a form prescribed by the tax commissioner and provided by the county treasurer, provided the parcel has not yet been redeemed under division (A) or (C) of section 5721.38 Of the Revised Code.

(B) Along with a request filed under division (A)(1) of this section, or a notice of intent to foreclose filed under division (A)(2) of this section and prior to the transfer of title in connection with foreclosure proceedings filed under division (F) of this section, the certificate holder shall submit a payment to the treasurer equal to the sum of the following:

(1) The certificate redemption prices of any other prior tax certificates that have been sold on the parcel;

(2) Any prior delinquent taxes, assessments, penalties, interest, and charges that are charged against the certificate parcel that is the subject of the foreclosure proceedings and that are not covered by a tax certificate;

(3) If the foreclosure proceedings are filed by the county prosecuting

attorney pursuant to section 323.25, 5721.14, or 5721.18 Of the Revised Code, a fee in the amount prescribed by the county prosecuting attorney to cover the prosecuting attorney's legal costs incurred in the foreclosure proceeding;

(4) If the foreclosure proceedings are filed by a private attorney on behalf of the certificate holder pursuant to division (F) of this section, any other prior liens.

(C)(1) With respect to a certificate purchased under section 5721.32 Of the Revised Code, if the certificate parcel has not been redeemed, the county treasurer shall provide certification to the county prosecuting attorney that the parcel has not been redeemed and that the certificate holder has made a foreclosure request. Within ninety days of receiving that certification, the prosecuting attorney shall commence a foreclosure proceeding in the name of the county treasurer in the manner provided under section 323.25, 5721.14, or 5721.18 Of the Revised Code, to foreclose the lien vested in the certificate holder by the certificate. The prosecuting attorney shall attach to the complaint the county treasurer's certification that the parcel has not been redeemed.

(2) With respect to a certificate purchased under section 5721.33 Of the Revised Code, if the certificate parcel has not been redeemed, the county treasurer shall provide certification to the private attorney that the parcel has not been redeemed. After receipt of that certification, the private attorney may commence a foreclosure proceeding in the name of the certificate holder in the manner provided under division (F) of this section, to foreclose the lien vested in the certificate holder by the certificate. The private attorney shall attach to the complaint the county treasurer's certification that the parcel has not been redeemed.

(D) The county treasurer shall credit the amount received under division (B)(1) of this section to the tax certificate redemption fund. The tax certificates respecting the payment shall be redeemed as provided in division (E) of section 5721.38 of the Revised Code. The amount received under division (B)(2) of this section shall be distributed to the taxing districts to which the delinquencies are owed. The treasurer shall deposit the fee received under division (B)(3) of this section in the county treasury to the credit of the delinquent tax and assessment collection fund. The amount received under division (B)(4) of this section shall be distributed to the holder of the prior lien.

(E)(1) If, in the case of a certificate purchased under section 5721.32 Of the Revised Code, the certificate holder does not file with the county treasurer a request for foreclosure along with the required payment within

three years after the date shown on the tax certificate as the date the certificate was sold, and during that period the parcel is not redeemed or foreclosed upon, the certificate holder's lien against the parcel for the amount of delinquent taxes, assessments, penalties, interest, and charges that make up the certificate purchase price is canceled.

(2) If, in the case of a certificate purchased under section 5721.33 Of the Revised Code, the certificate holder does not file with the county treasurer a notice of intent to foreclose with respect to a certificate parcel within three years after the date shown on the tax certificate as the date the certificate was sold or any extension of that date pursuant to division (C)(2) of section 5721.38 Of the Revised Code, and during that period the parcel is not redeemed, the certificate holder's lien against the parcel for the amount of delinquent taxes, assessments, penalties, interest, and charges that make up the certificate purchase price is canceled.

(F) With respect to tax certificates purchased under section 5721.33 Of the Revised Code, upon the delivery to the certificate holder by the county treasurer of the certification provided for under division (C)(2) of this section, a private attorney may institute a foreclosure proceeding under this division in the name of the certificate holder to foreclose such holder's lien, in any court with jurisdiction, unless the certificate redemption price is paid prior to the time a complaint is filed. The attorney shall prosecute the proceeding to final judgment and satisfaction, whether through sale of the property or the vesting of title and possession in the certificate holder. If there is a copy of a written undertaking under section 323.31 Of the Revised Code attached to the tax certificate or if a copy of such an undertaking is received from the county treasurer prior to the commencement of the proceeding under this division, the attorney shall not institute the proceeding under this division, unless the attorney receives a certification of the treasurer that such undertaking has become void in accordance with section 323.31 Of the Revised Code.

The foreclosure proceedings under this division, except as otherwise provided in this division, shall be instituted and prosecuted in the same manner as is provided by law for the foreclosure of mortgages on land, except that, if service by publication is necessary, such publication shall be made once a week for three consecutive weeks and the service shall be complete at the expiration of three weeks after the date of the first publication.

erent from that of the owner, and a complete legal description of the subject parcel. In any county that has adopted a permanent parcel number system, such notice may include the permanent parcel number in addition to a complete legal description.

It is sufficient, having been made a proper party to the foreclosure proceeding, for the certificate holder to allege in such holder's complaint that the tax certificate has been duly purchased by the certificate holder, that the certificate redemption price appearing to be due and unpaid is due and unpaid, and that there is a lien against the property described in the tax certificate, without setting forth in such holder's complaint any other special matter relating to the foreclosure proceeding. The prayer of the complaint shall be that the court issue an order that the property be sold by the sheriff or, if the action is in the municipal court, by the bailiff, in the manner provided in section 5721.19 Of the Revised Code, unless the complaint includes an appraisal by an independent appraiser acceptable to the court that the value of the certificate parcel is less than the certificate purchase price. In that case, the prayer of the complaint shall be that fee simple title to the property be transferred to and vested in the certificate holder free and clear of all subordinate liens.

In the foreclosure proceeding, the certificate holder may join in one action any number of tax certificates relating to the same owner, provided that all parties on each of the tax certificates are identical as to name and priority of interest. However, the decree for each tax certificate shall be rendered separately and any proceeding may be severed, in the discretion of the court, for the purpose of trial or appeal. The court shall make such order for the payment of all costs related directly or indirectly to the redemption of the tax certificate, including, without limitation, attorney's fees of the holder's attorney, as is considered proper. The tax certificate purchased by the certificate holder is presumptive evidence in all courts and in all proceedings, including, without limitation, at the trial of the foreclosure action, of the amount and validity of the taxes, assessments, charges, penalties by the court and added to such principal amount, and interest appearing due and unpaid and of their nonpayment.

(G) For purposes of this section:

(1) "Prior tax certificates" and "prior delinquent taxes, assessments, penalties, interest, and charges" mean tax certificates and delinquent taxes, assessments, penalties, interest, and charges, the liens with respect to which attached to the certificate parcel prior to the attachment of the lien with respect to the tax certificate that is the subject of the foreclosure proceedings.

(2) "Prior liens" means liens that are prior in right to the lien with respect to the tax certificate that is the subject of the foreclosure proceedings.

Sec. 5721.38. (A) At any time prior to the commencement of foreclosure proceedings under section 5721.37 of the Revised Code by the submitting of the payment to the county treasurer by the certificate holder under division (B) of that section, the owner of record of the certificate parcel, or any other person entitled to redeem that parcel, may redeem the parcel by paying to the county treasurer an amount equal to the total of the certificate redemption prices of all tax certificates respecting that parcel plus the sum of taxes, assessments, penalties, charges, and interest charged against the parcel that have become due and payable since the date the last certificate was sold.

(B) At any time after the commencement of foreclosure proceedings under section 5721.37 of the Revised Code by the submitting of the payment to the county treasurer by the certificate holder under division (B) of that section and prior to the filing of the entry of confirmation of sale of a certificate parcel under foreclosure proceedings filed by the county prosecuting attorney or prior to the decree conveying title to the certificate holder as provided for in division (F) of section 5721.37 Of the Revised Code, the owner of record of the certificate parcel or any other person entitled to redeem that parcel may redeem the parcel by paying to the county treasurer the amount described in division (A) of this section plus interest on the certificate purchase price for each tax certificate sold respecting the parcel at the rate of eighteen per cent per year for the period beginning on the day on which the payment was submitted by the certificate holder, together with an amount equal to the sum of the prosecuting attorney's fee under division (C)(1) of section 5721.37 Of the Revised Code if the tax certificate was purchased under section 5721.32 Of the Revised Code, and any other costs and fees of the proceeding allocable to the certificate parcel as determined by the court.

(C)(1) During the period beginning on the date a tax certificate is sold under section 5721.32 Of the Revised Code and ending one year from that date, the owner of record of the certificate parcel, or any other person entitled to redeem that parcel, may enter into a redemption payment plan with the county treasurer. The plan shall require the owner or other person to pay the certificate redemption price for the tax certificate in installments, with the final installment due no later than one year after the date the tax certificate is sold.

(2) During the period beginning on the date a tax certificate is sold

under section 5721.33 Of the Revised Code and ending on the date the decree is rendered on the foreclosure proceeding under division (F) of section 5721.37 Of the Revised Code, the owner of record of the certificate parcel, or any other person entitled to redeem that parcel, may enter into a redemption payment plan with the certificate holder and all secured parties of the certificate holder. The plan shall require the owner or other person to pay the certificate redemption price for the tax certificate, an administrative fee not to exceed one hundred dollars per year, and the actual fees and costs incurred, in installments, with the final installment due no later than three years after the date the tax certificate is sold. The certificate holder shall give written notice of the plan to the applicable county treasurer within sixty days after entering into the plan and written notice of default under the plan within ninety days after the default. If such a plan is entered into, the time period for filing a notice of intent to foreclose under section 5721.37 Of the Revised Code is extended by the length of time the plan is in effect and not in default.

(D)(1) Immediately upon receipt of full payment under division (A) or (B) of this section, the county treasurer shall make an entry to that effect in the tax certificate register and notify each certificate holder by certified mail, return receipt requested, that the parcel has been redeemed and the lien canceled and that the tax certificates may be redeemed. The county treasurer shall deposit into the tax certificate redemption fund created in the county treasury an amount equal to the total of the certificate redemption prices, together with interest on the certificate purchase price for each tax certificate sold respecting the parcel at the rate of eighteen per cent per year paid under division (B) of this section for the period beginning when the payment was submitted by the certificate holder under division (B) of section 5721.37 Of the Revised Code and ending when the parcel was redeemed. The county treasurer shall administer the fund for the purpose of redeeming tax certificates. Interest earned on the fund shall be credited to the county general fund.

(2) If a redemption payment plan is entered into pursuant to division (C)(1) of this section, the county treasurer immediately shall notify each certificate holder by certified mail, return receipt requested, of the terms of the plan. Installment payments made pursuant to the plan shall be deposited in the tax certificate redemption fund. Any overpayment of the installments shall be refunded to the person responsible for causing the overpayment if the person applies for a refund under this section. If the person responsible for causing the overpayment fails to apply for a refund under this section within five years from the date the plan is satisfied, an amount equal to the

overpayment shall be deposited into the general fund of the county.

Upon satisfaction of the plan, the county treasurer shall indicate in the tax certificate register that the plan has been satisfied, and shall notify each certificate holder by certified mail, return receipt requested, that the plan has been satisfied and that tax certificates may be redeemed.

If a plan becomes void, the county treasurer immediately shall notify each certificate holder by certified mail, return receipt requested. If a certificate holder files a request for foreclosure under section 5721.37 Of the Revised Code, upon the confirmation of sale resulting from the foreclosure, any money paid under the plan prior to its becoming void shall be applied to payment as prescribed under divisions (A), (B), and (C) of section 5721.39 of the Revised Code. Any residue remaining after such payment shall be disposed of under section 5721.20 of the Revised Code.

(E) To redeem a tax certificate with respect to which payment has been made in full under division (A), (B), or (C)(1) of this section, the certificate holder shall present the tax certificate to the county treasurer, who shall prepare the redemption information. Upon presentation, the county auditor shall draw a warrant on the tax certificate redemption fund in the amount of the certificate redemption price. For a parcel that was redeemed under division (B) of this section, the certificate holder who paid the amounts under division (B) of section 5721.37 of the Revised Code shall be reimbursed for those amounts, together with interest at the rate of eighteen per cent per year on the amount paid under division (B)(1) of that section for the period beginning when the payment was submitted by the certificate holder under division (B) of that section and ending when the parcel was redeemed. The treasurer shall mark all copies of the tax certificate "redeemed" and return the certificate to the certificate holder. The canceled certificate shall serve as a receipt evidencing redemption of the tax certificate. If a certificate holder fails to redeem a tax certificate within five years after notice is served under division (D) of this section that tax certificates may be redeemed, an amount equal to the certificate redemption price shall be deposited into the general fund of the county.

Sec. 5721.39. In its judgment of foreclosure rendered with respect to actions filed pursuant to section 5721.37 of the Revised Code, the court shall enter a finding with respect to the certificate parcel of the amount of the sum of the certificate redemption prices respecting all the tax certificates sold against the parcel; interest on the certificate purchase prices of those certificates at the rate of eighteen per cent per year for the period beginning on the day on which the payment was submitted by the certificate holder under division (B) of section 5721.37 Of the Revised Code; any delinquent

taxes, assessments, penalties, interest, and charges on the parcel that are not covered by a tax certificate; and fees and costs incurred in the foreclosure proceeding instituted against the parcel, including, without limitation, the fees and costs of the prosecuting attorney represented by the fee paid under division (B)(3) of section 5721.37 Of the Revised Code or the fees and costs of the private attorney representing the certificate holder, and charges paid or incurred in procuring title searches and abstracting services relative to the subject premises. The court may order the certificate parcel to be sold, without appraisal, in the manner provided for in division (F) of section 5721.37 Of the Revised Code and as set forth in the prayer of the complaint, for not less than the amount of its finding, or, in the event that the court finds that the value of the certificate parcel is less than the certificate purchase price, the court may, as prayed for in the complaint, issue a decree transferring fee simple title free and clear of all subordinate liens to the certificate holder. A decree of the court transferring such fee simple title to the certificate holder is forever a bar to all rights of redemption with respect to the certificate parcel.

Each certificate parcel shall be advertised and sold by the officer to whom the order of sale is directed in the manner provided by law for the sale of real property on execution. The advertisement for sale of certificate parcels shall be published once a week for three consecutive weeks and shall include the date on which a second sale will be conducted if no bid is accepted at the first sale. Any number of parcels may be included in one advertisement.

Whenever the officer charged to conduct the sale offers a certificate parcel for sale and no bids are made equal to at least the amount of the court's finding, the officer shall adjourn the sale of the parcel to the second date that was specified in the advertisement of sale. The second sale shall be held at the same place and commence at the same time as set forth in the advertisement of sale. The officer shall offer any parcel not sold at the first sale. Upon the conclusion of any sale, or if any parcel remains unsold after being offered at two sales, the officer conducting the sale shall report the results to the court.

Upon the confirmation of a sale, the proceeds of the sale shall be applied as follows:

(A) The fees and costs incurred in the proceeding filed against the parcel pursuant to section 5721.37 of the Revised Code, not including the county prosecutor's costs covered by the fee paid by the certificate holder under division (B)(3) of that section, shall be paid first.

(B) Following the payment required by division (A) of this section, the

ertificate holder that requested the foreclosure shall be paid the sum of the amount found due for the certificate redemption prices of all the tax certificates sold against the parcel; any premium paid by the certificate holder at the time of purchase; interest on the certificate purchase prices of those certificates at the rate of eighteen per cent per year beginning on the day on which the payment was submitted by the certificate holder under division (B) of section 5721.37 Of the Revised Code and ending on the day of the sale; and the amounts paid by the certificate holder under divisions (B)(2) and (3) of section 5721.37 Of the Revised Code.

(C) Following the payment required by division (B) of this section, any amount due for taxes, assessments, charges, penalties, and interest not covered by the tax certificate holder's payment under division (B)(2) of section 5721.37 Of the Revised Code shall be paid, including all taxes, assessments, charges, penalties, and interest payable subsequent to the entry of the finding and prior to the transfer of the deed of the parcel to the purchaser following confirmation of sale. If the proceeds available for distribution pursuant to this division are insufficient to pay the entire amount of those taxes, assessments, charges, penalties, and interest, the proceeds shall be paid to each claimant in proportion to the amount of those taxes, assessments, charges, penalties, and interest that each is due, and those taxes, assessments, charges, penalties, and interest are deemed satisfied.

Any residue of money from proceeds of the sale shall be disposed of as prescribed by section 5721.20 of the Revised Code.

Unless the parcel previously was redeemed pursuant to section 5721.25 or 5721.38 of the Revised Code, upon the filing of the entry of confirmation of sale, the title to the parcel is incontestable in the purchaser and is free and clear of all liens and encumbrances, except a federal tax lien notice of which is properly filed in accordance with section 317.09 of the Revised Code prior to the date that a foreclosure proceeding is instituted pursuant to section 5721.37 of the Revised Code, which lien was foreclosed in accordance with 28 U.S.C.A. 2410(c), and the easements and covenants of record running with the land or lots that were created prior to the time the taxes or assessments, for the nonpayment of which a tax certificate was issued and the parcel sold at foreclosure, became due and payable.

The title shall not be invalid because of any irregularity, informality, or omission of any proceedings under this chapter, or in any processes of taxation, if such irregularity, informality, or omission does not abrogate the provision for notice to holders of title, lien, or mortgage to, or other interests in, such foreclosed parcels, as prescribed in this chapter.

Sec. 5721.40. If any certificate parcel is twice offered for sale pursuant

to section 5721.39 of the Revised Code and remains unsold for want of bidders, the officer who conducted the sales shall certify to the court that the parcel remains unsold after two sales. The court, by entry, shall order the parcel forfeited to the certificate holder who filed the request for foreclosure under section 5721.37 of the Revised Code. The clerk of the court shall certify copies of the court's order to the county treasurer. The county treasurer shall notify the certificate holder by ordinary and certified mail, return receipt requested, that the parcel remains unsold, and shall instruct the certificate holder of the manner in which the holder shall obtain the deed to the parcel. The officer who conducted the sales shall prepare and record the deed conveying title to the parcel to the certificate holder.

Upon transfer of the deed to the certificate holder under this section, all right, title, claim, and interest in the certificate parcel are transferred to and vested in the certificate holder.

Sec. 5721.41. Interest required under sections 5721.30 to 5721.41 of the Revised Code is simple interest. Interest charges under those sections shall accrue on a monthly basis, on the first day of the month following the beginning of the period during which interest accrues and on the first day of each subsequent month.

Sec. ~~5721.30~~ 5721.46. If the county treasurer, by means of the remedies provided by law or otherwise, determines that delinquent lands containing or producing minerals or any rights to minerals, as separately listed and taxed from the fee of the soil pursuant to sections 5713.04, 5713.05, and 5713.06 of the Revised Code, have appeared on the delinquent land list and duplicate for five years and that taxes charged against those minerals or rights to minerals have become uncollectible, the county treasurer shall certify that determination, together with the reasons for the determination, to the county board of revision and the prosecuting attorney. If the board of revision and the prosecuting attorney determine that the taxes are uncollectible, the board of revision and the prosecuting attorney shall certify their finding to the county auditor, who shall cause the taxes to be stricken from the general tax list and duplicate of real and public utility property and from the delinquent tax list and duplicate.

SECTION 2. That existing sections 169.03, 317.08, 323.25, 323.31, 5301.25, 5528.51, 5528.54, 5538.53, 5721.01, 5721.03, 5721.06, 5721.10, and 5721.30 of the Revised Code are hereby repealed.

_____

Speaker _____ of the House of Representatives.

_____

President _____ of the Senate.

Passed _____, 20____

Approved _____, 20____

_____

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

_____

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the ____ day of _____, A. D. 20____.

_____

Secretary of State.

File No. _____ Effective Date _____