



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

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

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**Dan Acton
Ohio Real Estate Investors Association
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Sub. HB 49 -As passed by the House**

Chairman Hackett, Vice Chair Tavares, and members of the Health and Medicaid Finance Subcommittee, my name is Dan Acton and I am the Government Affairs Director of the Ohio Real Estate Investors Association (OREIA). OREIA represents 12 local chapters across Ohio whose membership consists of the smaller real estate investors and housing providers who typically own single family housing units. My background has been more than 30 years in the property management and ownership industry. I am providing a brief statement of support of various aspects of Sub. House Bill 49. We understand the complexities of the state budget and the tight funding to allocate resources. Our members operate in similar budget constraints every day. We can empathize with your efforts.

We appreciate the following items that will improve the business operations for our membership.

- **Requirement for a political subdivision that appeals a property tax assessment to pay property owner's attorney's fees and court costs should the owner prevail in the appeal. (R.C. §5717.07).** *Property owners are many times at the mercy of a local government as it relates to challenging property valuation for purposes of taxation. This provision makes a local government think twice about the validity of its request for a valuation change.*
- **Creates a permissive lead-safe residential rental unit registry and mechanisms to direct properties to be added to the registry with funding to pay for lead abatement and remediation (Various sections)** *By establishing a permissive mechanism for these properties to be remediated and listed on the registry is an appreciated approach. The ability to fund remediation encourages property owners to address problems in their properties. Many investors have properties in multiple jurisdictions and creating a statewide registry is a commonsense approach to the collection and presentation of this data.*

- **Generally, provides that the state, acting through ODH, has the sole and exclusive authority to compel, prohibit license, or regulate lead abatement activities in Ohio, including the licensing of lead abatement professionals and excepting only those activities for which oversight has been delegated by the Revised Code to boards of health. (R.C. §3742.04)** *Lead abatement requirements, inspection standards and licensure fees are subject to local interpretation and can be implemented to hundreds of different standards across the state. Local lead abatement requirements, inspection standards and licensure fees subject our members to hundreds of different standards and interpretations across the state. As with the ODH initiative in the budget for a common statewide lead-safe residential rental unit registry, this amendment compliments that effort with a sensible and uniform standard for abatement activities. Again, many investors have properties in multiple jurisdictions and creating a statewide standard for lead abatement is a commonsense approach to the solution of this problem.*
- **Increases from \$1,000 to \$10,000 the maximum amount that can be disbursed by an escrow or closing agent from an escrow account when the funds necessary for the disbursement are in the form of cash or check. (R.C. §1349.21).** *As businesspeople that regularly pay fees related to refinancing and property sales, the current limitation on maximum amounts that can be brought to a closing for use in escrow was extraordinarily too stringent. We applaud this loosening of the disbursement amount.*
- **Penalizes municipal corporations that do not timely publish an area wide waste treatment management plan and that do not charge the same sewer and water rates to residents and nonresidents. Withholds LGF money to municipalities that require annexation or other conditions to receive sewer and water services. (R.C. §5747.504, 5747.51, 5747.53, Section 803.210)** *Water fees are a major cost driver for many property investors. We understand water is an expensive commodity that simply does not just “flow from the tap” and that there is significant infrastructure that must be maintained. Our members believe in paying a fair price for this service. However, just by simply living in a different jurisdiction that contracts for water/sewer service should not allow for a significantly higher rate or be a cause for annexation. Additionally, many water providers view property owners as payers of last resort if a tenant defaults on a bill, even when the owner is not the contracting party. We applaud any effort to reduce costs for these services and encourage any affected water departments to examine its level of delinquency rates and improve efficiency in these practices to make up any shortfall it believes is caused by this amendment.*

Mr. Chairman and members of the committee my members and I encourage you to keep these items included in the as passed by the House version of the budget and to take into consideration the positive effects these assorted items have on the property investor community. Please feel free to contact me if you have any questions.