



Representative Andrea White

41st House District

HB 566 – Sponsor Testimony

Chair Wiggam, Vice-Chair John, Ranking Member Kelly, and members of State and Local Government Committee, thank you for allowing us to give testimony on H.B. 566, the Neighborhood Protection Act. As Representative Blackshear has already shared with you, this legislation creates reporting requirements for owners of vacant properties where a building exists that is no longer used for residential or commercial purposes.

H.B. 566 will help restore economic vitality to distressed neighborhoods as we continue to rebuild our communities. The problem is rampant in our state. In Montgomery County alone, there are about 23,000 vacant housing units – close to one in 10. Our county auditor has estimated 2,600 structures in the county are in poor condition, with about 800 considered “unsound.”

Vacant housing and distressed properties are continuously linked to declining property values, increased crime rates, and increased costs for our communities. Additionally, there are many missed opportunities for development and revitalization of commercial properties due to potential investors not being able to locate property owners in a timely way – particularly as a growing number of properties in Ohio are being purchased by out of state investors. This legislation will help give communities new tools to address these compounding issues, promote revitalization of neighborhoods and help spur local business development and economic opportunity.

While this bill was in development, Representative Blackshear and I reached out to several interested parties to ensure that their input was heard and included in the bill. Along with the Ohio Auditors Association, we talked with Ohio realtors, property investors, Land Bank representatives, treasurers, the Ohio Municipal League and more. As a result, significant improvements were made to the bill to ensure processes were flexible and in alignment with standard practices and legal requirements.

For example, the bill ensures due process before any fees would be assessed by outlining the owner notification process the auditor must follow to attempt to contact vacant property owners to inform them of their duty to register and keep contact information updated every three years or within 60 days of a change. First, a letter must be sent to the mailing address on file for each property outlining the requirements, the potential penalty that could be assessed if the owner does not meet the requirements, and the appeal process. The information must also

be posted on the county auditor's web site and published at least once in a printed or electronic newspaper of general circulation within the county. .

Property owners can choose to file their contact information either by mail, in person or through electronic means.

Additionally, the auditor of a county which is required to or opts in to the vacant property reporting requirements can choose to manage the program themselves or contract with a municipal corporation, township, county land reutilization corporation, legal aid society, metropolitan housing authority or local community organization within the county to help identify properties which are no longer used for residential or commercial purposes.

To help property owners become aware of the need to keep their contact information current should their property be classified as vacant, we added a provision encouraging county treasurers to use property tax bills to proactively notify owners of this requirement.

Based on other input we received, since the Legislature has already created detailed provisions to deal with mobile and manufactured homes, the bill exempts these along with seasonally vacant properties. We also added provisions to ensure both owners and their agents could be the source of updated contact information – for both this new vacant property program as well as the existing rental registry program.

To our knowledge there is no known opposition to the bill, however Representative Blackshear and I remain open to other input to ensure this bill results in a workable and helpful solution to support our communities.

As mentioned earlier, we introduced the Neighborhood Protection Act as a tool to spur economic development and neighborhood revitalization in Ohio communities. Chairman Wiggam, Vice-Chair John, Ranking Member Kelly, and members of State and Local Government committee, thank you for the opportunity to provide sponsor testimony on H.B. 566. Rep. Blackshear and I welcome any questions or suggestions you may have at this time.