

H. B. No. 390  
As Introduced

\_\_\_\_\_ moved to amend as follows:

In line 1 of the title, after "sections" insert "323.78," 1

In line 5, after "sections" insert "323.78," 2

After line 6, insert: 3

"**Sec. 323.78.** (A) Notwithstanding anything in Chapters 4  
323., 5721., and 5723. of the Revised Code, a county treasurer 5  
may elect to invoke the alternative redemption period in any 6  
petition for foreclosure of abandoned lands under section 7  
323.25, sections 323.65 to 323.79, or section 5721.18 of the 8  
Revised Code. 9

(B) If a county treasurer invokes the alternative 10  
redemption period pursuant to this section, and if a municipal 11  
corporation, township, county, school district, community 12  
development organization, or county land reutilization 13  
corporation has requested title to the parcel, then upon 14  
adjudication of foreclosure of the parcel, the court or board of 15  
revision shall order, in the decree of foreclosure or by 16  
separate order, that the equity of redemption and any statutory 17



or common law right of redemption in the parcel by its owner 18  
shall be forever terminated after the expiration of the 19  
alternative redemption period and that the parcel shall be 20  
transferred by deed directly to the requesting municipal 21  
corporation, township, county, school district, community 22  
development ~~corporation~~organization, or county land 23  
reutilization corporation without appraisal and without a sale, 24  
free and clear of all impositions and any other liens on the 25  
property, which shall be deemed forever satisfied and 26  
discharged. The court or board of revision shall order such a 27  
transfer regardless of whether the value of the taxes, 28  
assessments, penalties, interest, and other charges due on the 29  
parcel, and the costs of the action, exceed the fair market 30  
value of the parcel. No further act of confirmation or other 31  
order shall be required for such a transfer, or for the 32  
extinguishment of any statutory or common law right of 33  
redemption. 34

(C) If a county treasurer invokes the alternative 35  
redemption period pursuant to this section and if no community 36  
development organization, county land reutilization corporation, 37  
municipal corporation, county, township, or school district has 38  
requested title to the parcel, then upon adjudication of 39  
foreclosure of the parcel, the court or board of revision shall 40  
order the property sold as otherwise provided in Chapters 323. 41  
and 5721. of the Revised Code, and, failing any bid at any such 42  
sale, the parcel shall be forfeited to the state and otherwise 43  
disposed of pursuant to Chapter 5723. of the Revised Code. 44

(D) (1) A municipal corporation, township, county, school 45  
district, community development organization, or county land 46  
reutilization corporation to which property is transferred 47  
pursuant to division (B) of this section shall cause the 48

property to be sold through either of the following means: 49

(a) At a public auction conducted by the sheriff of the 50  
county in which the property is located or a designee of the 51  
sheriff in the manner provided by law for the sale of real 52  
property on execution. The auction shall be advertised in the 53  
same manner required in division (A) of section 323.73 of the 54  
Revised Code. 55

(b) By the solicitation of sealed bids. The political 56  
subdivision, community development organization, or county land 57  
reutilization corporation shall advertise the sale in a 58  
newspaper of general circulation that meets the requirements of 59  
section 7.12 of the Revised Code in the county in which the 60  
property is located, prescribe the form of bids, and accept bids 61  
over a period of at least three weeks. 62

(2) Upon a sale of property pursuant to division (D)(1) of 63  
this section, the municipal corporation, township, county, 64  
school district, community development organization, or county 65  
land reutilization corporation that sold the property shall 66  
calculate the sum of the taxes, assessments, penalties, 67  
interest, and other charges due on the property at the time the 68  
property was transferred under division (B) of this section; the 69  
costs of the foreclosure action that resulted in the property's 70  
transfer under that division; and any costs incurred by the 71  
political subdivision, community development organization, or 72  
county land reutilization corporation in connection with the 73  
property. If the sale price exceeds that sum, the excess 74  
proceeds shall be delivered to the clerk of the court of common 75  
pleas of the county in which the property is located not later 76  
than forty-five days after its sale. Thereafter, the excess 77  
proceeds shall be treated in the same manner as surplus funds 78

under division (B) of section 5721.20 of the Revised Code. 79

The political subdivision, community development 80  
organization, or county land reutilization corporation shall 81  
maintain a record of the amounts calculated under this division, 82  
and the property's sale price, for three years after its sale 83  
date. The record is a public record subject to section 149.43 of 84  
the Revised Code." 85

In line 120, strike through "Except in cases where the" and insert 86  
"This section does not apply to transfers of"; strike through "is" 87

In line 121, strike through "transferred" 88

In line 125, delete "both of the following apply:" and insert 89  
"except as provided in division (D) of that section." 90

When land is sold pursuant to a foreclosure proceeding as 91  
provided in this chapter or Chapter 323. of the Revised Code, 92  
both of the following apply:" 93

In line 155, after "sections" insert "323.78," 94

The motion was \_\_\_\_\_ agreed to.

SYNOPSIS 95

**Excess proceeds from abandoned land foreclosure** 96

**R.C. 323.78 and 5721.20** 97

Requires that, when a political subdivision or land bank 98  
acquires abandoned land subject to a tax foreclosure proceeding 99  
before it is offered for sale, the subdivision or land bank must 100  
do the following: 101

-- Sell the property either at a public auction or through the public solicitation of bids; 102  
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-- Keep a record of the property's previous tax delinquency, foreclosure costs, and the costs incurred by the subdivision or land bank while holding the property. The record must be kept for three years and is considered a public record. 104  
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-- If the sale price exceeds those total costs, forward the excess proceeds to the common pleas court of the county where the property is located, which will notify the owner. The county will hold the proceeds for three years in the same manner as other excess proceeds from tax foreclosure sales under the bill. If the proceeds remain unclaimed after three years, the funds revert to either the county or the land bank, if one operates in the county. 108  
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