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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

S.B. 36
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 36's Bill Analysis](#)

Version: As Introduced

Primary Sponsor: Sen. Blessing

Local Impact Statement Procedure Required: No

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Highlights

- It is possible that residential properties containing one to four single-family units may be sold for higher prices because of the sale procedure required under the bill, benefitting the political subdivision selling the property.
- Local governments may incur some minimal costs for providing additional public notice as required by the bill. This cost will most likely be offset by being added to the minimum opening bid.

Detailed Analysis

Post foreclosure sale bids

The bill creates a procedure giving certain eligible persons the opportunity to bid on residential property containing one to four single-family units after a foreclosure sale has already taken place. Specifically, this would be in situations where the apparent winner of the auction does not intend to occupy the property as their primary residence. In this case, eligible bidders and prospective owner-occupants may make a bid within 45 days of the initial foreclosure sale. Ultimately, this means that the proceeds that a political subdivision realizes from the sale of these one to four single-family units under the revised sales process in the bill could be higher than they would be under current law.

Notice of sale

Political subdivisions may incur increased costs for providing the additional public notice required under the revised real property sales procedure created by the bill. In all likelihood, however, these added public notice costs would be factored into the proposed minimum bid set by the political subdivision that is selling the property. Under the bill, when a residential property

containing one to four single-family units is sold at public auction because of outstanding, unpaid debt, the levying officer (a sheriff, for example) must do the following: (1) include additional language in the newspaper notices required for foreclosure sales under current law, (2) post a copy of the notice on the property to be sold, and (3) maintain a website and telephone number to provide information on applicable properties. The notice must be published in the newspaper weekly for the three weeks preceding the sale of a foreclosed property. The bill would require additional information be included in this notice, totaling approximately 1,300 characters. Newspapers print notices for a price of approximately \$10 per square inch (roughly 100-120 characters). The second and third notices may be truncated and refer to a webpage with more information, thus reducing the cost of the notice.