



**House Civil Justice Committee  
Proponent Testimony  
House Bill 390  
4/23/2024**

Chair Hillyer, Vice Chair Mathews, Ranking Member Isaacsohn, and members of the House Civil Justice Committee, thank you for the opportunity to provide written testimony in support of the proposed amendment (AM-1842) to HB 390 on behalf of Ohio REALTORS®.

Formed in 1910, Ohio REALTORS® is the state's largest professional trade organization with approximately 36,000 members representing both residential and commercial practitioners, as well as auctioneers and appraisers. We also represent homeowners, homebuyers, and support policies to protect private property rights.

The proposed amendment to HB 390 is designed to safeguard a homeowner's equity in a property. Typically, a tax-delinquent property is sold to the highest bidder, the debts are paid, and the previous property owner collects the remaining proceeds. However, certain states permit local governments to recover more than what is owed in delinquent taxes when a property goes into tax foreclosure. In these states, local governments are not only able to retrieve what is owed in delinquent taxes, but they also collect the amount a property sells for at a tax foreclosure sale, leaving the homeowner with nothing, regardless of how much equity they had in the property.

While Ohio's tax foreclosure laws usually protect against this practice, a loophole exists, which grants local governments the ability to transfer an abandoned tax delinquent property to another political subdivision like a land bank without being offered at a public sale. The proposed amendment mirrors HB 153, introduced earlier this session, and would protect property owners against this practice by only allowing tax-foreclosed properties to be transferred to another political subdivision if the delinquent taxes exceed the property's fair market value. Should the property's fair market value be greater than the amount of delinquent taxes then the amendment would require that the property be offered at public sale.

We applaud this effort to protect a property owner's equity in a property by closing this loophole within Ohio's law. We urge the committee's support.

Sincerely,

Scott Williams  
Chief Executive Officer  
Ohio REALTORS®



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