



**House State and Local Government Committee
Testimony on HB 238 - Occupational Licensing Review
November 28, 2023**

Chair John, Vice Chair Dean, Ranking Member Brennan, and members of the House State and Local Government Committee, I appreciate the opportunity to testify on behalf of Ohio REALTORS® regarding House Bill 238 and this committee's review of Ohio's occupational licensing laws. Real estate professionals pride themselves on being industry experts when leading clients through one of the most expensive and complex transactions they will ever make – the purchase or sale of a home.

My name is Brian Whitta and I serve as Vice Chairman of the Legislative Steering Committee of Ohio REALTORS®, the state's largest professional trade organization, which represents me and more than 37,000 residential and commercial practitioners who serve clients, communities, and businesses throughout Ohio. I am also the principal broker and president of Coldwell Banker Flag City in Findlay, Ohio.

Real estate transactions are complex procedures involving purchasing, selling, or leasing properties with layers of complicated requirements. In addition to following federal, state, and local laws, proposals need to describe the property accurately and legally, identify clear title guarantees, and contain contingency clauses covering topics from damage found on the property to financial concerns. Real estate professionals are responsible for reviewing legally binding contracts, home inspections, obtaining financing, and successfully completing the closing of a real estate transaction, which is why education and expertise are essential to successfully serving our clients.

Ohio has a thriving real estate industry where over 46,000 salespeople and more than 4,000 brokers are overseen by the Division of Real Estate and Professional Licensing (Division). With so many licensees, Ohio's educational requirements do not impede access into the industry, but they do help ensure that new licensees are qualified and subject matter experts. To this day, when I represent a friend, family-member, neighbor, or any client, I am able to provide the best service because of the education I received.

Through the committee's review of the occupational licenses issued under the Division it recommends reducing the hours of pre-licensing education for both brokers and salespeople to 100 hours. It also recommends the elimination that brokers obtain two years of post-secondary education and the requirement that training courses be provided by an accredited institution of higher education that offers college credits.

Removing the two years of post-secondary education for brokers could allow an experienced real estate salesperson to more easily transition into the role of a broker



Ralph Mantica, 2023 President • **Scott R. Williams**, CEO

200 E. Town St. • Columbus, OH 43215-4648

P 614.228.6675 • F 614.228.2601 • info@ohiorealtors.org • www.ohiorealtors.org



without having to return to college to obtain an associate degree. This recommendation will reduce barriers and is something we would support. Similarly, the cost of education could be reduced by allowing real estate schools that only offer certificates, and not college credits, to provide the training. That being said, it will be imperative that the state ensures any school providing real estate courses has its curriculum reviewed and adequately prepares applicants to pass the real estate exam and serve Ohioans once they become licensed.

In 2004, I was hired to work as a consultant for the Ohio Department of Education, having only a high school diploma. My time at ODE was successful as I was named the 2008 employee of the year for the agency. When I made the decision to switch career paths, I only went back to school to obtain an associate degree because I could not obtain a broker license in the State of Ohio without it. Eliminating this requirement would have made my transition to a broker much easier.

I do want to express our concerns surrounding reducing the hours of pre-licensing education. Educational requirements for real estate practitioners vary by state. While our surrounding states may require fewer hours of initial education, other states like Texas (180 hours for real estate salespeople) require far more. As the committee considers making the significant changes identified previously, now is not the time to also cut the hours of education, which likely will do little to reduce barriers and the cost of education, but will certainly lead to less qualified licensees.

As a broker, I am essentially taking a leap of faith to bring on a new agent. Any new hire is an extension of my company, their actions are a reflection of me, and it is my license on the line should there be errors or violations. Every buyer is my buyer, and every seller is my seller. I need to ensure that every new licensee I hire is accountable and has the skills to effectively serve our clients. This is why our educational standards are so important and in my experience, they need to be improved, not reduced. As opposed to focusing on reducing hours and watering down the profession's educational standards, we should focus on the quality of education and work to improve the low passage rate (below 60%) on the real estate exam. Lowering the hours of education will not improve the passage rate of the exam, in fact it will likely make it worse. We should work with real estate schools and testing providers to ensure applicants who fail the exam receive better feedback on the areas in which they struggled and focus on those areas before they retake the exam.

In closing, Ohio should not jeopardize the public's best interest in an effort to cut training for such a vital profession. Instead, it should work with industry leaders to ensure newly licensed professionals are adequately prepared to lead their clients through what will likely be the most expensive and often complex purchase they will ever make.

I appreciate this committee's examination of ways to better the real estate industry. I urge the committee to avoid jeopardizing the public's trust in real estate professionals by

keeping the educational hours the same, as it also considers other changes that will truly reduce barriers and cut costs for real estate practitioners.

Sincerely,

BRIAN WHITTA, ABR, C2EX, C-RETS, CRB, CRS, GRI, PSA, RENE, SRS
Principal Broker / President

Coldwell Banker Flag City
1295 Fostoria Avenue
Findlay, OH 45840