

Dear Ohio House State and Local Government Committee:

Thank you to Chairwoman John and members of this committee and the sponsors of HB 238 for the time and attention they have provided to real estate education.

Real Estate Professionals in Ohio Today

In Ohio, there are approximately 350 new real estate salespeople that enter the market every month. They are taught by, on average, 23 different providers. The housing market fluctuates, but last year it decreased by 20% nationally. Lawsuits against real estate professionals across the country have increased by 9% during that same time period. In Ohio, it is common practice to be assigned additional education by the Division of Real Estate as a remedy for any violation of the complicated real estate statute. We would argue standards should increase to better prepare real estate professionals.

Oppose Amendment No. AM 135 1436

Although we applaud retaining the 120 hours of education, the amendment that was shared with us late last night provides a lack of oversight of real estate education in Ohio. Private accreditation is currently required in Ohio and that is what has been relied upon by the state to make certain the providers and the education is reviewed and approved.

The proposed amendment would completely dismantle the current review system that is working well. There is currently a non-degree pathway to licensure that already exists within the current oversight system, so by removing accreditation and not replacing it with a true review of quality education, Ohio would be allowing educational providers to avoid review and oversight of their programs at the expense of students and ultimately home buyers and sellers. Hondros is always happy to compete, but this committee should be concerned about allowing out-of-state providers offering classes with no board review system in place. The result will be less educated real estate agents and a risk to the public relying on their advice.

Further, we find the decision to define a certificate granting school that offers training as an "Institute of Higher Education" problematic and misleading to the public, a designation reserved for degree-granting institutions.

Division of Real Estate

Ohio has an incredibly smart, educated and knowledgeable staff at the Division of Real Estate located within the Ohio Department of Commerce. They are not currently set up to review courses in Ohio like many other states because they have relied on accreditation. The same is true of the State Board of Career Colleges and Schools. Of the states that require State Board or its equivalent to review, *all* also require the involvement of the Division of Real Estate or its equivalent. Two state agencies that have been mentioned throughout these discussions, neither of which has expertise in real estate law, have suggested to us that a review of coursework and instructors should be done by the Division of Real Estate just like it's done for nurses by the Board of Nursing. We think a review by the real estate experts in the state is the only option that makes sense unless you simply maintain accreditation, which is working well.

Conclusion

Hondros College is a quality educator. We are extremely proud of the excellent education we provide and the decades we have spent meeting and exceeding accreditation standards. Quality education matters and our students who take the program as it's designed are successful. The proposed removal of the current private

oversight will have unintended consequences that will change the landscape for real estate professionals in Ohio. We urge you to consider whether there are currently any barriers to enter the market and how reducing private quality oversight does anything to improve the program that is considered one of the best in the country.

We urge you to oppose AM 135 1436.