



House Bill 238 Recommendations
Rep. Fowler Arthur and Rep. Klopfenstein
Occupational Licensing Review

Ohio House State and Local Government Committee
Chairwoman Marilyn John

Kent Marcus Gray, COO & School Director, jointly with
John M. Tallarigo, In-House Counsel & Educational Development
Perry Real Estate College
December 6, 2023

Chairwoman John, Vice-Chair Dean, Ranking Member Brennan, and members of the
Ohio House State and Local Government Committee:

Chair John, Vice Chair Dean, Ranking Member Brennan, and members of the House State and Local Government Committee, it is an honor to speak before you today. My name is John Tallarigo, and I am General Counsel for Perry Real Estate College and responsible for Education Development and expansion at our school. I am a licensed attorney in the state of Kentucky and used to be a Kentucky real estate sales associate before obtaining my law license. I have helped the school develop real estate salesperson and broker courses in seven states including Pennsylvania, Illinois, Michigan, and Indiana.

With me is Kent Gray, and he is the COO of Perry Real Estate College and Vice President of Kentucky Real Estate College. He has ran a real estate school for the past 11 years. He is the registered school director for Perry Real Estate College in 14 states, and an approved real estate instructor in many of those states. Mr. Gray and I are responsible for course review and compliance with educational standards, curriculum standards, instructor certification, and institutional certification in each of the 14 states we are licensed. Mr. Gray has held a real estate license in Kentucky for over a decade as well.

The cost of real estate licensing courses in Ohio are 3-4x that of any other state and that number is significantly higher for broker courses. With Ohio salespersons courses costing over \$1,000, many consumers are priced out of the opportunity. Over 90% of real estate test takers do not take the course for college credit.

Ohio is the only state we know of that requires real estate schools to be degree-granting institutions. The Ohio Association of Realtors testified that the pass rate in Ohio is 58%. This unreasonable barrier does not result in the state having a higher pass rate than the surrounding states and other states in the country. Requiring real estate schools to be degree-granting institutes is only keeping competition out of the market.

There are other methods of ensuring quality standards that are commonly used in other states. The State Board of Career Colleges and Schools, the Association of Real Estate



License Law Officials (ARELLO), or the Division of Real Estate could be used individually, or any combination to approve an education provider. For example, in Kentucky, we are required to gain approval from the Kentucky Commission on Proprietary Education (which is similar to the State Board of Career Colleges and Schools) and then the Real Estate Commission. Michigan and Pennsylvania both require ARELLO approval, followed by their respective real estate licensing entity.

Throughout this process there has also been a false narrative by the opponents of House Bill 238 that it will lower educational standards. House Bill 238 does not attempt to lower standards, and we do not want them lowered. House Bill 238 will change one institutional standard and one broker education standard which no other state in the country requires.

Removing this barrier will benefit Ohio citizens tremendously. Ohio citizens who want to run their own brokerage not only have to pay for the highest cost of real estate education but also pay for 2 years of tuition at a degree-granting institute. House Bill 238 proposes changes that will remove these barriers for Ohio citizens while raising the educational standards of review for education providers. It will also allow competition in an industry that has been dominated by a monopolistic corporation.

Thank you for the opportunity to provide testimony, and Mr. Gray and I are happy to answer any questions you may have.