



Senate Select Committee on Housing
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Senate Bill 245 - Proponent

Chair Reynolds, Vice Chair Johnson, Ranking Member Craig, and members of the Senate Select Committee on Housing, thank you for the opportunity to provide testimony in support of provisions of Senate Bill 245 designed to increase tenants' housing stability.

We appreciate your leadership towards solving the affordable housing crisis in Ohio by developing policies that will expand housing access for people who are too often struggling to stay housed. We are excited to uplift your work and to support Senate Bill 245 because stable, decent, and affordable housing is the foundation for the health and well-being of all Ohio families.

Unfortunately, that foundation is under extreme stress. The average rent for a two-bedroom apartment increased by 24% in two years and renters now need to earn at least \$19.09 an hour to afford a basic 2-bedroom home. Every single county in Ohio has a shortage of affordable housing, and more than 700,000 Ohioans are now spending over half of their income on rent.

So, we are especially pleased to support this bipartisan legislation, and we would like to highlight several excellent provisions of Senate Bill 245 that will help provide greater stability and equity for Ohioans who are living in unstable housing conditions.

Access to Counsel: Evictions inflict long-term damage on people. They lose their belongings and important documents, children get uprooted and often have to switch schools, families double up with other households in overcrowded conditions, parents get stressed and often lose their jobs, and people experience very high rates of depression even years after an eviction occurs. Furthermore, eviction filings make it very difficult for someone to find another home in the future, even in cases where the court ruled in their favor. Eviction is not just an outcome of poverty – it exacerbates poverty and greatly increases the chances of becoming homeless.

Legal representation in eviction courts in most communities is enormously unbalanced. Only four percent of tenants have legal representation in eviction court, while 83 percent of landlords are represented by an attorney. When tenants are represented by an attorney, they are far more likely to remain in their homes, or at least avoid having an eviction filing on their record. They are more likely get additional time to find another place to live and avoid being set out.

House Bill 245 would begin to create a more equitable playing field by expanding access to free legal representation for lower income tenants with at least one child. This provision reflects a similar program in Cleveland that has greatly reduced the number of unnecessary evictions, helped tenants address poor housing conditions, and access resources to pay back rent. Families throughout Ohio who are facing the prospects of losing their homes deserve the same access to counsel as those living in Cleveland.

Providing legal representation for tenants benefits the whole community by increasing family stability, keeping kids in school, and preventing homelessness. A recent study by The Ohio State University found a strong correlation between high eviction rates, poor maternal mental health, and high infant mortality rates.

As we consider expanding access to counsel, we would also recommend creating new models of emergency rental assistance to better prevent unnecessary evictions and homelessness. For instance, the Housing Now for Homeless Families pilot program successfully invested state TANF funding to help at-risk families with children remain stably housed while providing housing stability and other services to help overcome employment and behavioral health challenges, and domestic violence.

Eviction Records Sealing: With this bill, Chair Reynolds and Ranking Member Craig acknowledge a key distinction – an eviction case filing is not the same as an eviction judgement, but it carries the same stigma every time a tenant submits a rental application years into the future. Similar to the criminal justice sealing legislation that some of you worked on through SB 288 last General Assembly, a provision of HB 245 allows tenants get a fresh start by authorizing the sealing of eviction records.

Most landlords screen potential tenants' rental history during the application process using third-party databases, which often include outdated and inaccurate information about applicants. Tenant screening reports do not detail why a tenant was evicted but only note that an eviction filing is present. Therefore, landlords and managers often reject tenants with an eviction filing on their record, regardless of the details of the dispute, the outcome of the case, or how long ago it occurred.

Eviction records can be sealed automatically, at the time an eviction is filed, or at the end of the process when a judgement is delivered. Yet, because third parties can access eviction records as soon as a case is filed, there is no distinction between a filing and an actual eviction. Making sure eviction records are sealed at the point of filing or giving a tenant the opportunity to file for sealing after five years will expand access to stable housing for hundreds of thousands of Ohioans.

Property Owner Transparency: The increase in institutional investors and absentee landlords is creating waves throughout our housing market, creating serious problems for lower income tenants as corporate landlords consolidate their holdings, driving up rents that many low- to middle-income income tenants can't afford.

When a real estate transaction is taking place, Senate Bill 245 would require buyers to disclose certain information, such as identifying an individual who would be responsible for overseeing the property, before the county auditor can finalize the transfer of property. This is a good step toward closing the “LLC Loophole” that has lately beguiled many cities and tenants seeking to hold predatory real estate investors accountable.

In conclusion, consumer protections and due process for tenants will help stabilize the foundation of Ohio’s families and communities. Investing in housing unstable residents upstream will reduce public expenditures downstream in hospitals, schools, child welfare, courts, jails, and prisons.

Senate Bill 245 represents a great step forward for the State’s efforts to address some of the factors contributing to the housing affordability crisis. We look forward to working together with you to bring effective programs to scale, while developing thoughtful policies that will expand access to home for all Ohioans.