



April 23, 2024

Chairman Landis, Vice-Chair Chavez, Ranking Member Sykes and Members of the Senate Community Revitalization Committee,

The Ohio Home Builders Association (OHBA) represents 4,000 home builders, remodelers and land developers throughout the State. Our stated objective is to provide safe, decent and affordable housing in all areas of Ohio. The proposed amendments to HB 50 both clarify the legislature's intent when each of the laws were initially passed.

1-The proposed changes to ORC 4722.01 address two recent court cases out of the Fifth and Eleventh District Court of Appeals finding any and all 'remodeling' is not a home construction service. This language clarifies the definition found in 4722, and puts the law back in line with the goal of the legislature and then Attorney General, Mike DeWine: all home construction service contracts for new construction, repairs, improvements, remodels or renovations of existing structures over \$25,000 are subject to the Home Construction Service Suppliers Act (HCSSA).

The law was changed more than a decade ago removing home construction services, including remodeling jobs over 25k, from the Consumer Sales Practices Act (CSPA) and subjecting those services to a new HCSSA. The HCSSA includes many of the same protections from the CSPA..

In the revised code, 'Home construction service' is exempted from the CSPA, but a few recent court cases have erroneously ruled any remodeling is not a 'home construction service', regardless of the dollar amount. The proposed amendment preserves the intent of the law and makes it clear remodeling over 25k is part of that exemption with the HCSSA applying.

2-The proposed changes to ORC 5709.56 and 5715.27 modify a provision currently in the law which addresses the timing at which residential development property is fully assessed by the county auditor. As you are likely aware, there is a critical shortage of housing supply in Ohio, and even more of a shortage of developed lots to put the much-needed housing on. This amendment would require applicants apply with the county auditor rather than the Tax Commissioner, and removes the very lengthy application process never meant to be applied to such applications. These modifications could take the approval process from up to 3 years to a matter of weeks, and be a meaningful step in bringing more developed lots into the much-needed supply.

We are happy to answer any further questions you may have.