

**Committees:**

**Ways and Means (Ranking Member)**

Finance  
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**HB 493 Sponsor Testimony: House Local Government Committee**

Chair King, Vice-Chair Kishman, Ranking Member Sims, and members of the House Local Government Committee:

Thank you for the opportunity for Representative Thomas and I to provide sponsor testimony on House Bill 493, which would disallow the sale or transfer of delinquent property tax certificates.

Under current law, when a homeowner fails to pay their property taxes on time, the county treasurer is permitted to sell the delinquent property tax certificate to a private third party. These private entities often charge homeowners high interest rates and additional fees, which can quickly grow far beyond the original tax bill that the homeowner was already unable to pay. Third-party holders can even foreclose on the property for missed payments, allowing them even greater profit at the homeowner's expense. While this practice is used to help counties receive partial revenue from unpaid taxes, it often imposes severe financial hardship on homeowners who are already having a difficult time paying for numerous essential needs.

Too many Ohioans are currently struggling to meet their property tax obligations. Recent increases in property valuations have only made it more difficult for many of our citizens to pay their property taxes in a timely manner. Allowing these delinquent tax certificates to be sold to third-party collection agencies only increases the pain felt by our homeowners, leaving them with mounting debt and the threat of foreclosure hanging over their heads. We need our local officials to work with them to mediate and resolve their delinquency, not hire predatory third parties to harass them.

As a former County Commissioner, I agreed with just about all of our other county elected officials (executive and judicial) in trying to dissuade our county treasurer at the time from entering into contracts for this purpose. Those pleas were ignored based on a reply that the treasurer had promised the voters that she would aggressively pursue delinquent taxes. We all agreed that she should, but certainly not by this methodology of contracting with collection agencies bent on maximizing their profits at the expense of fiscally strained homeowners. We believed that there were numerous avenues available in the law to mediate and work with the

property owner on payment plans. For these reasons, I am glad to be a joint sponsor on this bill to end this harmful and unacceptable practice.

Chair King and committee members, I would be happy to further explain and answer any questions you have on this proposal. Thank you for your attention and consideration.