

**Public Safety Committee
Interested Party Testimony
House Bill 1
5/20/25**

Chair Abrams, Vice Chair Miller, Ranking Member Thomas, and members of the House Public Safety Committee, thank you for the opportunity to provide testimony today on behalf of Ohio REALTORS®. My name is Andrew Huffman and I'm the Assistant Vice President of Government Affairs at Ohio REALTORS®. Formed in 1910, Ohio REALTORS® is the state's largest professional trade association with approximately 35,000 members representing both residential and commercial practitioners.

We appreciate the sponsors of House Bill (HB) 1's engagement with us during the legislation's development, and we share their concerns about the need to protect Ohio against entities seeking to purchase property with the intent to jeopardize our national security.

We are also grateful for the personal liability protection provided in HB 1 to brokers, agents, and real estate professionals in ORC 5301.256. This protection, modeled after legislation passed in other states, will allow our members to continue to serve clients without the burden of conducting background checks and without fear of liability.

However, should HB 1 pass as written, it would likely be the most restrictive law of its kind in the entire nation, which could lead to legal challenges, cause confusion surrounding what land is protected, and prohibit law-abiding legal residents from purchasing single-family homes. As the committee reviews HB 1, we would encourage members to consider the following:

Florida Senate Bill 264 ("FSB 264"):

While many states have introduced or passed legislation prohibiting foreign real estate purchases, the one that has garnered the most national attention has been in Florida. In May 2023, Florida enacted a 'foreign buyer law' that prohibits covered foreign persons from acquiring or owning an interest in agricultural land and property within a ten-mile radius of a military installation or critical infrastructure. In response to FSB 264, a real estate firm and a group of Chinese citizens (together as "plaintiff") who reside and work in Florida filed suit in federal district court to prevent its enforcement. The plaintiffs claimed that FSB 264: 1) violates the federal Fair Housing Act; 2) violates the Equal Protection Clause of the 14th Amendment of the U.S. Constitution; and 3) is preempted by federal laws governing foreign affairs, foreign investment, and national security, including the Committee for Foreign Investment in the United States (CFIUS) and the Foreign Investment Risk Review Modernization Act of 2018. That case is currently pending before the U.S. Court of Appeals for the Eleventh Circuit.

As indicated in the LSC analysis for HB 1, if this legislation is enacted in Ohio, it could meet similar legal challenges to those faced by FSB 264 in Florida. If the intent of HB 1 is to protect Ohioans against threats from foreign land purchases, passing legislation that will be locked in lengthy legal battles will not accomplish that goal.

Broad Definitions of “Protected Property” & “Critical Infrastructure Facility”:

“Protected Property,” as used in HB 1, means the following: (a) agricultural land; (b) real property located within a twenty-five-mile radius of any installation under the jurisdiction of the armed forces; or (c) real property located within a twenty-five-mile radius of a “critical infrastructure facility.” “Critical infrastructure facility” is broadly defined in ORC 2911.21 to include numerous types of facilities, provided that the facility is “completely enclosed by a fence or other physical barrier that is obviously designed to exclude intruders, or if clearly marked with signs that are reasonably likely to come to the attention of potential intruders and that indicate entry is forbidden without site authorization.” This would include, for example, an electric generating facility, substation, distribution lines, water and wastewater treatment plant, wireline or wireless telecommunication infrastructure, and federally licensed radio or television transmission facilities. Under such a broad definition of “protected property,” nearly all property in the state of Ohio would be considered protected under HB 1. If the intent of HB 1 is to ban the purchase of property throughout the entire state, then why the arbitrary 25-mile radius? Why not just impose a statewide restriction? Also, proponents of the bill only identified large land purchases from foreign businesses and governments as posing a threat to our national security, and not individuals buying single-family homes. Why then does this bill target the purchase of single-family homes, which do not appear to be a threat to our national security?

Identification of “Protected Property”:

Due to the sheer quantity of the types of facilities that are classified as critical infrastructure, it is unclear how a restricted person is expected to identify whether a particular property is within 25 miles of a critical infrastructure facility. While HB 1 requires the Secretary of State to compile a registry of foreign adversaries and restricted persons, the legislation does not require the creation of a publicly accessible map or database of protected property or critical infrastructure facilities. Without such a map or database, how is:

- 1) A restricted person expected to know whether a particular property is within the 25-mile radius of a “critical infrastructure facility”?
- 2) A county auditor or sheriff responsible for reviewing and investigating real estate transactions expected to determine compliance with HB 1?

Legal Resident Exemptions:

We are also concerned about the bill's impact on legal permanent residents, such as green card holders, who are not exempt from the restrictions outlined in the bill. HB 1 would prohibit law-abiding residents who are productive members of our society from owning a home in the state in which they work. This could also prevent Ohio's employers and universities from attracting the best talent from across the globe. We encourage the members of this committee to consider exempting permanent legal residents from the bill's restrictions, which would help Ohio remain an inclusive and competitive state for global talent and investment. It is important to keep in mind that green card holders undergo an FBI background check and even serve in our military. Most states have included an exemption for green card holders in their legislation, and we would encourage Ohio to do the same.

Notice to Potential Purchasers and Sellers

Should HB 1 pass, it will be important to inform potential homebuyers of the bill's restrictions before they go through the process of purchasing a home. Early notification of the bill's impact on individuals looking to buy a home will provide clarity and potentially prevent an individual from having their home taken by the government should they be found to be prohibited under the legislation. We believe the best way to inform individuals is by including language in ORC 4735.56, which will add notice of the purchasing restrictions in the consumer guide to agency that sellers and purchasers must receive when working with a real estate brokerage. This will inform individuals of the bill's restrictions before they move forward with the purchase or sale of a property. Similar language was added in the Senate's companion bill, Senate Bill 88.

As the sponsors noted in their testimony, numerous other states have implemented policies aimed at restricting land purchases by foreign adversaries. Based on the LSC analysis of other states' legislation, it would appear as if Ohio would have the most restrictive law in the nation, as it does not exempt lawful residents and essentially applies to all property in Ohio. We would encourage this committee to look toward other states, which have passed legislation that has not been held up in the court system, has clearly defined areas where property is restricted, and does not prevent lawful permanent residents, who may have served in our military, from purchasing single-family homes. Indiana recently passed HB 1183, which has been well received and could effectively be implemented in Ohio. We would urge lawmakers to use that legislation as a model in Ohio.

Ohio REALTORS® looks forward to working with this committee as it continues to review HB 1. I'll be happy to answer any questions at this time.

Sincerely,

Andrew Huffman
Assistant Vice President of Government Affairs
Ohio REALTORS®