

**Senate General Government Committee
Interested Party Testimony
Senate Bill 88
April 29, 2025**

Chair Roegner, Vice Chair Gavarone, Ranking Member Blackshear, and members of the Senate General Government Committee, thank you for the opportunity to provide testimony on behalf of 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. REALTORS® in Ohio pride themselves on helping not only Ohioans, but also individuals from all around the globe who are navigating the complexity of buying or selling property in this great state.

We appreciate the sponsor of SB 88 engaging us during the legislation's development, and we share the 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 SB 88 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. Additionally, we appreciate language in ORC 4735.56, which will add notice of the purchasing restrictions in the consumer guide to agency, which 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.

As the sponsors noted in their testimony, numerous other states have implemented policies aimed at restricting land purchases by foreign adversaries. The laws passed in those states vary substantially. Some states limit restrictions to only agricultural land, and others impose them on foreign governments and state-controlled enterprises, excluding individuals who are legally allowed in the country.

As the committee reviews SB 88, 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 to 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 SB 88, if this legislation is enacted in Ohio, it could meet similar legal challenges to those faced by FSB 264 in Florida.

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

“Protected Property,” as used in SB 88, 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 several 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 SB 88.

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 SB 88 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 real estate transactions expected to determine compliance with SB 88?

Legal Resident Exemptions:

We appreciate the provision in SB 88 that excludes U.S. citizens with dual citizenship from restrictions on property ownership within 25 miles of protected property. While that inclusion is a significant step in the right direction, we remain 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. Such a policy 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 expanding the exclusions to include permanent legal residents, which would help Ohio remain an inclusive and competitive state for global talent and investment.

Thank you for considering our testimony. Ohio REALTORS® looks forward to working with this committee as it continues to review SB 88.

Sincerely,



Scott Williams
Chief Executive Officer
Ohio REALTORS®