



**OHIO REAL ESTATE INVESTORS ASSOCIATION  
GOVERNMENT AFFAIRS COMMITTEE**

TO SUPPORT GOOD GOVERNMENT THAT IMPACTS THE PROFESSIONAL INVESTMENT  
PROPERTY INDUSTRY AT STATE AND LOCAL LEVELS.

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**Dan Acton  
House Bill 49 Proponent Testimony  
Senate Finance Committee  
June 7, 2017**

Chairman Oelslager, Vice Chair Manning, Ranking Member Skindell and members of the committee, my name is Dan Acton and I am the Government Affairs Director of the Ohio Real Estate Investors Association (OREIA). OREIA represents 12 local chapters across Ohio whose membership consists of the smaller real estate investors and housing providers who typically own single family housing units. My background has been more than 30 years in the property management and ownership industry. I am providing a brief statement of support on a key component of Sub. House Bill 49.

The Ohio House added language that provides that the state, acting through the Ohio Department of Health, has the sole and exclusive authority to compel, prohibit license, or regulate lead abatement activities in Ohio, including the licensing of lead abatement professionals and excepting only those activities for which oversight has been delegated by the Revised Code to boards of health. (R.C. §3742.04). I urge you to retain this language in your consideration of the budget.

This issue is very important to my property investment business as lead abatement requirements, inspection standards and licensure fees subject me and my fellow members to local interpretation which can be implemented to hundreds of different standards across the state, sometimes even potentially dozens within the same county! As with a similar Ohio Department of Health initiative in the budget creating a common statewide lead-safe residential rental unit registry, this amendment compliments that effort with a sensible and uniform standard for abatement activities. Again, many investors have properties in multiple jurisdictions and creating a statewide standard for lead abatement is a commonsense approach to the solution of this problem.

The Ohio House added this language in response to the unthinkable idea that every municipality can undercut existing state lead safety law and begin implementing individualized, ever-changing, and expensive rules and regulations as Toledo has been doing. The Ohio Department of Health is the



expert organization tasked with addressing the dwindling, yet unfortunate cases of childhood lead poisoning cases. The previous law developed over a 5-year process, and passed in 2004 provided for an ongoing state task force to address potential changes in conjunction with the Department.

Local municipalities have typically handled lead-paint issues very poorly. Cities all over the state have had a basic inability to correctly identify unsafe houses or, once identified, are choosing to ignore the problem properties because of a lack of enforcement mechanism, and now cities like Toledo want to take on tens of thousands more homes? I would also add that Toledo is selectively choosing to focus only on 1-4 family units and has exclusively exempted apartment buildings and government housing from any lead -paint regulation. Do low-income and minority children not reside there as well and are at the same level of risk?

Without this amendment, regulatory red tape and runaway fees at the local level negatively impact Ohioans access to safe affordable housing.

Lead poisoning is a serious issue that should be handled by trained experts at the Ohio Department of Health, executed through local health department partners. Please don't undercut state law by failing to support the statewide lead abatement standards. Keep this language in the budget!

As the Government Affairs Director, I also want to share insights on other pieces of the budget that OREIA supports, but in the essence of time I will simply refer you to them in my testimony below. These items were shared with Chairman Jordan and Hackett's subcommittees.

Thank you for the opportunity to provide input.

We appreciate the following items that will improve the business operations for our membership.

- **Requirement for a political subdivision that appeals a property tax assessment to pay property owner's attorney's fees and court costs should the owner prevail in the appeal. (R.C. §5717.07).** *Property owners are many times at the mercy of a local government as it relates to challenging property valuation for purposes of taxation. This provision makes a local government think twice about the validity of its request for a valuation change.*



- **Creates a permissive lead-safe residential rental unit registry and mechanisms to direct properties to be added to the registry with funding to pay for lead abatement and remediation (Various sections)** *By establishing a permissive mechanism for these properties to be remediated and listed on the registry is an appreciated approach. The ability to fund remediation encourages property owners to address problems in their properties. Many investors have properties in multiple jurisdictions and creating a statewide registry is a commonsense approach to the collection and presentation of this data.*
- **Increases from \$1,000 to \$10,000 the maximum amount that can be disbursed by an escrow or closing agent from an escrow account when the funds necessary for the disbursement are in the form of cash or check. (R.C. §1349.21).** *As businesspeople that regularly pay fees related to refinancing and property sales, the current limitation on maximum amounts that can be brought to a closing for use in escrow was extraordinarily too stringent. We applaud this loosening of the disbursement amount.*
- **Penalizes municipal corporations that do not timely publish an area wide waste treatment management plan and that do not charge the same sewer and water rates to residents and nonresidents. Withholds LGF money to municipalities that require annexation or other conditions to receive sewer and water services. (R.C. §5747.504, 5747.51, 5747.53, Section 803.210)** *Water fees are a major cost driver for many property investors. We understand water is an expensive commodity that simply does not just “flow from the tap” and that there is significant infrastructure that must be maintained. Our members believe in paying a fair price for this service. However, just by simply living in a different jurisdiction that contracts for water/sewer service should not allow for a significantly higher rate or be a cause for annexation. Additionally, many water providers view property owners as payers of last resort if a tenant defaults on a bill, even when the owner is not the contracting party. We applaud any effort to reduce costs for these services and encourage any affected water departments to examine its level of delinquency rates and improve efficiency in these practices to make up any shortfall it believes is caused by this amendment.*