



**Senate Finance Committee
House Bill 110 Interested Party Written Testimony
June 4, 2021**

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Chairman Dolan, Vice Chair Gavarone, Ranking Member Sykes, thank you for the opportunity to provide written interested party testimony for House Bill 110.

Formed in 1910, Ohio REALTORS® is the state's largest professional trade organization with more than 36,000 members representing both residential and commercial practitioners, as well as auctioneers and appraisers. We also represent homeowners, homebuyers, investors and protect private property rights.

Please find comments regarding various budget items included in Substitute House Bill 110 released on June 1.

Department of Commerce Funding –

We thank the House and Senate for retaining the full funding request made by the Department of Commerce for the Division of Real Estate and Professional Licensing. As we stated in our testimony supporting House Bill 230, the real estate licensing system is in dire need of modernization, as the current paper-based system is burdensome, time-consuming and can result in practitioners from being unable to work while their license is being transferred from one brokerage to another. We urge full funding and are grateful to the legislature for the support of the many important programs and services provided by the Department. The more than 40,000 real estate professionals practicing in Ohio deserve a more efficient, streamlined system so they can continue to build small businesses and keep the economy moving through a strong real estate market.

Restrictive Covenants on Deeds –

We support and thank the Senate for adding language (ORC 5301.05) to clarify a gray area in the law relating to how a property owner can more easily remove a discriminatory restrictive covenant from their deed. Although these covenants are illegal and unenforceable, many properties across Ohio still have this discriminatory language on deeds and property owners would like a method to remove them more easily. This language will allow for that action on new deeds.

Broadband Expansion Funding –

Far too many Ohioans lack access to broadband internet, including many REALTORS across the state who conduct business from home. In addition to slowing the speed of business for many small business owners, a home "on the grid" is far more desirable than a home that cannot get access to today's technology. In the Journal of Applied Economics, a 2019 article



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found that single-family homes with access to broadband connection have a price that is roughly \$6,000 more, or 3% more than similar homes with significantly slower or no connections. Broadband access is simply good for businesses and homeowners.

We encourage more funding for broadband expansion, especially as the COVID-19 pandemic has certainly changed how we work and live.

Federally Subsidized Housing Valuation-

Affordable housing is an important asset to any community. Safe, stable housing provides many societal, emotional, and personal benefits. For those most vulnerable neighbors in our communities who need access to affordable housing, the legislature should be exploring policies that encourage additional affordable housing development. The language in ORC 5715.01, 5713.03 significantly changes how a subsidized property is valued for tax purposes and may negatively impact future affordable housing development. We believe it would be prudent to debate this policy change in a formal process to adequately allow stakeholders and the public to provide input and ensure the best policy is crafted.

Thank you for the opportunity to provide interested party testimony on selected highlights from House Bill 110. We appreciate the diligent work the Senate Finance Committee and the entire chamber has put into this legislation.