

Senate Bill 75 Sponsor Testimony Senator Edna Brown Senate Energy and Natural Resources Committee June 6, 2018

Thank you Chairman Balderson, Vice Chair Jordan, Ranking Member O'Brien, and members of the Senate Energy and Natural Resources Committee for the opportunity to provide sponsor testimony on Senate Bill 75. This bill requires water authorities to certify certain additional facts to a county auditor before the auditor may place a lien on a property for unpaid county or municipal water service charges.

This legislation's goal is to prevent property owners from facing unforeseen property liens due to a previous occupant's delinquent water charges. As the statute reads now, water authorities may place tax liens on a property for water bills of any age, regardless of changes in ownership to the home. As a result, people may be unexpectedly burdened with the debts of others because the outstanding charges were not reported in a timely manner.

Senate Bill 75 works to resolve this issue in several ways. *Before* a county auditor places a lien on a property for unpaid water charges, a municipal corporation or county must certify that the property has either (1) not been sold or (2) has been sold and neither the seller nor purchaser requested or paid a final bill.

Per the Ohio Revised Code,¹ when a property enlisted in city water services is about to be sold, either party to the sale may request the director to read the meter at the property and to render a final bill for all outstanding charges for water service. Under Senate Bill 75, a county or city would be prohibited from placing a lien on the property for water bills in arrears if none were reported at the time of purchase.

This issue came to my attention when a constituent contacted my office after his property taxes were deemed delinquent in spite of having consistently made payments in full and on time. Without prior notification, the city had placed a lien on the property for a 20-year-old water bill that dated back to before the property had been purchased by the new owner.

The property was owned for eight years before the real estate tax payments began to be diverted to satisfy the delinquent water bill. This caused the owner to receive a foreclosure notice since he

¹ R.C. 743.04(A)(5)

did not know that his real estate taxes were not being paid. Such a situation is unfair and needs to be addressed.

This bill will consolidate information, improve administrative efficiency, and protect new owners from unwarranted liens during and after a transition of ownership.

Chairman Balderson, thank you for again for allowing me to provide sponsor testimony today. I'd be happy to answer any questions from the committee.