

**As Introduced**

**135th General Assembly**

**Regular Session**

**2023-2024**

**H. B. No. 212**

**Representatives King, Klopfenstein**

**Cosponsors: Representatives Seitz, Hoops, Gross, Demetriou, Hall, Lear, Miller, K., Cutrona, Dean, Barhorst, Pizzulli, Willis, Lorenz, Jones, Johnson, Young, T., Click, Kick, Wiggam, Creech, Manchester, Plummer, Stoltzfus, Robb Blasdel, Swearingen, Mathews, Miller, M., Santucci, John, Stewart, McClain, Bird, Fowler Arthur**

---

**A BILL**

To amend sections 319.202, 2105.16, and 5323.02 and	1
to enact section 5301.256 of the Revised Code to	2
prohibit foreign adversaries and certain	3
businesses from owning real property in Ohio and	4
to name this act the Ohio Property Protection	5
Act.	6

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

<b>Section 1.</b> That sections 319.202, 2105.16, and 5323.02 be	7
amended and section 5301.256 of the Revised Code be enacted to	8
read as follows:	9

<b>Sec. 319.202.</b> Before the county auditor indorses any real	10
property conveyance or manufactured or mobile home conveyance	11
presented to the auditor pursuant to section 319.20 of the	12
Revised Code or registers any manufactured or mobile home	13
conveyance pursuant to section 4503.061 of the Revised Code, the	14
grantee or the grantee's representative shall submit in	15

triplicate a statement, prescribed by the tax commissioner, and  
other information as the county auditor may require, declaring  
the value of real property or manufactured or mobile home  
conveyed, except that when the transfer is exempt under division  
(G) (3) of section 319.54 of the Revised Code only a statement of  
the reason for the exemption and, if the statement involves the  
transfer of real property, the affirmations required by division  
(C) of this section shall be required. Each statement submitted  
under this section shall contain the information required under  
divisions (A) and (B) of this section and, if the statement  
involves the transfer of real property, the affirmations  
required by division (C) of this section.

(A) Each statement submitted under this section shall  
either:

(1) Contain an affirmation by the grantee that the grantor  
has been asked by the grantee or the grantee's representative  
whether to the best of the grantor's knowledge either the  
preceding or the current year's taxes on the real property or  
the current or following year's taxes on the manufactured or  
mobile home conveyed will be reduced under division (A) of  
section 323.152 or under section 4503.065 of the Revised Code  
and that the grantor indicated that to the best of the grantor's  
knowledge the taxes will not be so reduced; or

(2) Be accompanied by a sworn or affirmed instrument  
stating:

(a) To the best of the grantor's knowledge the real  
property or the manufactured or mobile home that is the subject  
of the conveyance is eligible for and will receive a reduction  
in taxes for or payable in the current year under division (A)  
of section 323.152 or under section 4503.065 of the Revised Code

and that the reduction or reductions will be reflected in the 46  
grantee's taxes; 47

(b) The estimated amount of such reductions that will be 48  
reflected in the grantee's taxes; 49

(c) That the grantor and the grantee have considered and 50  
accounted for the total estimated amount of such reductions to 51  
the satisfaction of both the grantee and the grantor. The 52  
auditor shall indorse the instrument, return it to the grantee 53  
or the grantee's representative, and provide a copy of the 54  
indorsed instrument to the grantor or the grantor's 55  
representative. 56

(B) Each statement submitted under this section shall 57  
either: 58

(1) Contain an affirmation by the grantee that the grantor 59  
has been asked by the grantee or the grantee's representative 60  
whether to the best of the grantor's knowledge the real property 61  
conveyed qualified for the current agricultural use valuation 62  
under section 5713.30 of the Revised Code either for the 63  
preceding or the current year and that the grantor indicated 64  
that to the best of the grantor's knowledge the property 65  
conveyed was not so qualified; or 66

(2) Be accompanied by a sworn or affirmed instrument 67  
stating: 68

(a) To the best of the grantor's knowledge the real 69  
property conveyed was qualified for the current agricultural use 70  
valuation under section 5713.30 of the Revised Code either for 71  
the preceding or the current year; 72

(b) To the extent that the property will not continue to 73  
qualify for the current agricultural use valuation either for 74

the current or the succeeding year, that the property will be 75  
subject to a recoupment charge equal to the tax savings in 76  
accordance with section 5713.34 of the Revised Code; 77

(c) That the grantor and the grantee have considered and 78  
accounted for the total estimated amount of such recoupment, if 79  
any, to the satisfaction of both the grantee and the grantor. 80  
The auditor shall indorse the instrument, forward it to the 81  
grantee or the grantee's representative, and provide a copy of 82  
the indorsed instrument to the grantor or the grantor's 83  
representative. 84

(C) Each statement submitted under this section involving 85  
the transfer of real property shall contain both of the 86  
following: 87

(1) An affirmation by the grantee that the grantee is 88  
either: 89

(a) Not prohibited from purchasing or otherwise acquiring 90  
real property in this state under division (B) of section 91  
5301.256 of the Revised Code; or 92

(b) Prohibited from purchasing or otherwise acquiring real 93  
property in this state under division (B) of section 5301.256 of 94  
the Revised Code. 95

(2) An affirmation by the grantor that the grantor is 96  
either: 97

(a) Subject to, and in violation of division (D) (1) of 98  
section 5301.256 of the Revised Code; or 99

(b) Not subject to, or not in violation of division (D) (1) 100  
of section 5301.256 of the Revised Code. 101

(D) (1) The grantor shall pay the ~~fee~~ following: 102

(a) The fee required by division (G) (3) of section 319.54 103  
of the Revised Code; and, ~~in~~ 104

(b) In the event the board of county commissioners of the 105  
county has levied a real property or a manufactured home 106  
transfer tax pursuant to Chapter 322. of the Revised Code, the 107  
amount required by the real property or manufactured home 108  
transfer tax so levied. ~~If~~ 109

(2) If the conveyance is exempt from the fee provided for 110  
in division (G) (3) of section 319.54 of the Revised Code and the 111  
tax, if any, levied pursuant to Chapter 322. of the Revised 112  
Code, the reason for such exemption shall be shown on the 113  
statement. ~~"Value" means, in the case of any deed or certificate~~ 114  
~~of title not a gift in whole or part, the amount of the full~~ 115  
~~consideration therefor, paid or to be paid for the real estate~~ 116  
~~or manufactured or mobile home described in the deed or title,~~ 117  
~~including the amount of any mortgage or vendor's lien thereon.~~ 118  
~~If property sold under a land installment contract is conveyed~~ 119  
~~by the seller under such contract to a third party and the~~ 120  
~~contract has been of record at least twelve months prior to the~~ 121  
~~date of conveyance, "value" means the unpaid balance owed to the~~ 122  
~~seller under the contract at the time of the conveyance, but the~~ 123  
~~statement shall set forth the amount paid under such contract~~ 124  
~~prior to the date of conveyance. In the case of a gift in whole~~ 125  
~~or part, "value" means the estimated price the real estate or~~ 126  
~~manufactured or mobile home described in the deed or certificate~~ 127  
~~of title would bring in the open market and under the then~~ 128  
~~existing and prevailing market conditions in a sale between a~~ 129  
~~willing seller and a willing buyer, both conversant with the~~ 130  
~~property and with prevailing general price levels.~~ 131

(3) No person shall willfully falsify the value of 132

property conveyed. 133

~~(D)~~ (E) The auditor shall indorse each conveyance on its 134  
face to indicate the amount of the conveyance fee and compliance 135  
with this section and if the property is residential rental 136  
property include a statement that the grantee shall file with 137  
the county auditor the information required under division (A) 138  
or (C) of section 5323.02 of the Revised Code. The auditor shall 139  
retain the original copy of the statement of value, forward to 140  
the tax commissioner one copy on which shall be noted the most 141  
recent assessed value of the property, and furnish one copy to 142  
the grantee or the grantee's representative. 143

~~(E)~~ (F) (1) The auditor shall not indorse a conveyance of 144  
real property if either of the following apply: 145

(a) The statement submitted under this section does not 146  
include both of the affirmations required by division (C) of 147  
this section. 148

(b) The grantee affirms, or the auditor has reason to 149  
believe that the grantee is prohibited from purchasing or 150  
otherwise acquiring real property in this state under division 151  
(B) of section 5301.256 of the Revised Code. 152

(2) (a) If division (F) (1) (b) of this section applies, the 153  
auditor shall refer the transfer to the county prosecutor of the 154  
county in which the real property is located. 155

(b) The county prosecutor shall investigate the allegation 156  
and may, in conducting the investigation, issue subpoenas to 157  
compel witnesses to appear to provide testimony or produce 158  
records. 159

(c) If the county prosecutor determines that the grantee 160  
is prohibited from purchasing or otherwise acquiring real 161

property in this state under division (B) of section 5301.256 of 162  
the Revised Code, the transfer is void. 163

(d) If the county prosecutor determines that the grantee 164  
is not prohibited from purchasing or otherwise acquiring real 165  
property in this state under division (B) of section 5301.256 of 166  
the Revised Code, the auditor may indorse the conveyance. 167

(e) The county prosecutor shall report the prosecutor's 168  
determination under division (F) (2) (c) or (d) of this section to 169  
the auditor. 170

(f) An aggrieved party may appeal the county prosecutor's 171  
determination to the court of common pleas of the county in 172  
which the real property is located. The appeal is subject to the 173  
same procedures and requirements as an appeal under section 174  
119.12 of the Revised Code. 175

(3) The auditor shall not refuse to indorse a conveyance 176  
due to an affirmation by the grantor that the grantor is subject 177  
to, and in violation of division (D) (1) of section 5301.256 of 178  
the Revised Code. Upon such an affirmation, or if the auditor 179  
has reason to believe that the grantor is subject to, and in 180  
violation of division (D) (1) of section 5301.256 of the Revised 181  
Code, the auditor shall refer information about the grantor and 182  
the associated real property transfer to the county prosecutor 183  
for investigation and enforcement under divisions (D) (2) to (8) 184  
of section 5301.256 of the Revised Code. 185

(G) In order to achieve uniform administration and 186  
collection of the transfer fee required by division (G) (3) of 187  
section 319.54 of the Revised Code, the tax commissioner shall 188  
adopt and promulgate rules for the administration and 189  
enforcement of the levy and collection of such fee. 190

~~(F)~~ (H) As used in this section, ~~"residential":~~

(1) "Residential rental property" has the same meaning as  
in section 5323.01 of the Revised Code.

(2) (a) "Value" means, in the case of any deed or  
certificate of title not a gift in whole or part, the amount of  
the full consideration therefor, paid or to be paid for the real  
estate or manufactured or mobile home described in the deed or  
title, including the amount of any mortgage or vendor's lien  
thereon.

(b) If property sold under a land installment contract is  
conveyed by the seller under such contract to a third party and  
the contract has been of record at least twelve months prior to  
the date of conveyance, "value" means the unpaid balance owed to  
the seller under the contract at the time of the conveyance, but  
the statement shall set forth the amount paid under such  
contract prior to the date of conveyance.

(c) In the case of a gift in whole or part, "value" means  
the estimated price the real estate or manufactured or mobile  
home described in the deed or certificate of title would bring  
in the open market and under the then existing and prevailing  
market conditions in a sale between a willing seller and a  
willing buyer, both conversant with the property and with  
prevailing general price levels.

**Sec. 2105.16.** No person who is capable of inheriting shall  
be deprived of the inheritance by reason of any of the person's  
ancestors having been aliens. ~~Aliens~~ Except as provided in  
section 5301.256 of the Revised Code, aliens may hold, possess,  
and enjoy real property within this state, either by descent,  
devise, gift, or purchase, as fully as any citizen of the United



States or of this state may do. 220

Sec. 5301.256. (A) As used in this section: 221

(1) "Business" means a firm, company, business trust, 222  
estate, trust, partnership, limited liability company, 223  
association, corporation, sole proprietorship, general 224  
partnership, or other business entity. 225

(2) "Control" means the authority, by contract or by law, 226  
to direct the affairs and day-to-day operations of a business 227  
enterprise without the consent of any other person. 228

(3) "Foreign adversary" means, subject to revision by the 229  
secretary of state under division (F) of this section, an 230  
individual or a government determined to constitute a foreign 231  
adversary by the secretary of commerce of the United States 232  
under 15 C.F.R. 7.4, or subject to economic sanctions 233  
administered by the office of foreign assets control within the 234  
United States department of the treasury. 235

(4) "Own" means possession of more than fifty per cent of 236  
the stock, equity, or other ownership interest of a business. 237

(5) "Real property" has the same meaning as in section 238  
5701.02 of the Revised Code. 239

(B) On and after the effective date of this section, the 240  
following governments, individuals, and businesses shall not 241  
purchase or otherwise acquire any interest in real property in 242  
this state: 243

(1) A foreign adversary. 244

(2) A business with a principal executive office located 245  
in a country governed by a foreign adversary, unless the 246  
business: 247

(a) At least seven years before the effective date of this 248  
section, filed articles of incorporation or any other documents 249  
or applications with the secretary of state as established in 250  
section 1329.01, 1701.04, or elsewhere in the Revised Code as a 251  
condition precedent to engaging in business in this state; 252

(b) Is in good standing, full force and effect, or 253  
registered with the secretary of state, as applicable, and has 254  
continuously maintained that status since a date at least seven 255  
years before the effective date of this section; 256

(c) Has been approved to purchase or otherwise acquire 257  
real property in this state by the committee on foreign 258  
investment in the United States pursuant to section 721 of the 259  
"Defense Production Act of 1950," 50 U.S.C. 2170; and 260

(d) Is a party to an active national security agreement 261  
with the United States government. 262

(3) A business that is directly or indirectly owned or 263  
controlled by a foreign adversary, unless the business is 264  
operating lawfully in the United States on the effective date of 265  
this section. 266

(C) A transfer of an interest in real property in 267  
violation of division (B) of this section is void. 268

(D) (1) A foreign adversary or business subject to division 269  
(B) of this section shall divest of all real property in this 270  
state within thirty-six months after the effective date of this 271  
section. 272

(2) If a county auditor has reason to believe that a 273  
foreign adversary or business is subject to, and in violation of 274  
division (D) (1) of this section, the auditor shall notify the 275  
county prosecutor of each county in which the real property 276

owned by the foreign adversary or business is located. The 277  
county prosecutor shall investigate the allegation, and may, in 278  
conducting the investigation, issue subpoenas to compel 279  
witnesses to appear to provide testimony or produce records. If 280  
the real property is located in more than one county, the county 281  
prosecutors of those counties may investigate the allegation 282  
collaboratively. 283

(3) Upon receiving testimony and records, if the county 284  
prosecutor concludes a foreign adversary or business failed to 285  
divest ownership of real property in this state, as required 286  
under division (D) (1) of this section, the county prosecutor 287  
shall commence an action in the court of common pleas of the 288  
county. If the real property is located in more than one county, 289  
rather than commencing a separate action in each such county, 290  
the county prosecutors may commence one consolidated action in 291  
the county in which the majority of the real property owned by 292  
the foreign adversary or business is located. In a consolidated 293  
action, the court of common pleas of the county in which the 294  
majority of the real property owned by the foreign adversary or 295  
business is located has territorial jurisdiction over all real 296  
property that is the subject of the action. 297

(4) Once the action is commenced, the county prosecutor 298  
shall file a notice of the pendency of the action with the 299  
county recorder of each county in which the real property 300  
subject to the action is located. 301

(5) If the court finds divestment of real property under 302  
this section is proper, the court shall enter an order 303  
consistent with its findings. 304

(6) A foreign adversary or business subject to an order 305  
for divestment under division (D) (5) of this section shall 306

divest all real property in this state within six months after 307  
the date of the final entry of judgment. If a foreign adversary 308  
or business fails to comply with the court's order, the county 309  
prosecutor that commenced the action shall impose a civil 310  
penalty on the foreign adversary or business, not to exceed 311  
twenty-five thousand dollars. Civil penalties collected in 312  
accordance with this division shall be remitted to the general 313  
revenue fund. 314

(7) If a foreign adversary or business fails to divest 315  
ownership of real property in this state within the period 316  
required by division (D) (6) of this section, the court shall 317  
declare the real property escheated to the state and order it to 318  
be sold pursuant to Chapter 2329. of the Revised Code in the 319  
same manner as a foreclosure on a mortgage, except that there 320  
shall be no opportunity for redemption under section 2329.33 of 321  
the Revised Code. The court shall file a copy of the order with 322  
the county recorder of each county in which the real property is 323  
located. 324

(8) Upon receiving an order under division (D) (7) of this 325  
section, the clerk of the court shall notify the governor that 326  
the title to the real property is vested in the state by decree 327  
of the court. After the sale, the proceeds of the sale shall be 328  
paid as follows: 329

(a) The proceeds shall first be used to pay court costs 330  
related to the action or actions initiated pursuant to division 331  
(D) (3) of this section. 332

(b) The remaining proceeds, if any, shall be remitted to 333  
the general revenue fund. 334

(E) A person that is not subject to divisions (B) and (D) 335

of this section is not required to inquire or determine whether 336  
another person is subject to this section. 337

(F) The secretary of state shall periodically review the 338  
individuals and governments that are determined to be foreign 339  
adversaries and may revise that list, provided that the 340  
secretary of state's revisions do not have the effect of 341  
providing less stringent protection to real property in this 342  
state. 343

**Sec. 5323.02.** (A) An owner of residential rental property 344  
shall file with the county auditor of the county in which the 345  
property is located the following information: 346

(1) The name, address, and telephone number of the owner; 347

(2) If the residential rental property is owned by a 348  
trust, business trust, estate, partnership, limited partnership, 349  
limited liability company, association, corporation, or any 350  
other business entity, the name, address, and telephone number 351  
of the following: 352

(a) A trustee, in the case of a trust or business trust; 353

(b) The executor or administrator, in the case of an 354  
estate; 355

(c) A general partner, in the case of a partnership or a 356  
limited partnership; 357

(d) A member, manager, or officer, in the case of a 358  
limited liability company; 359

(e) An associate, in the case of an association; 360

(f) An officer, in the case of a corporation; 361

(g) A member, manager, or officer, in the case of any 362

other business entity. 363

(3) The street address and permanent parcel number of the 364  
residential rental property. 365

(B) The information required under division (A) of this 366  
section shall be filed and maintained on the tax list or the 367  
real property record. 368

(C) An owner of residential rental property shall update 369  
the information required under division (A) of this section 370  
within sixty days after any change in the information occurs. 371

(D) The county auditor shall provide an owner of 372  
residential rental property located in a county that has a 373  
population of more than two hundred thousand according to the 374  
most recent decennial census with notice pursuant to division 375  
(B) of section 323.131 of the Revised Code of the requirement to 376  
file the information required under division (A) of this section 377  
and the requirement to update that information under division 378  
(C) of this section. 379

(E) The owner of residential real property shall comply 380  
with the requirements under divisions (A) and (C) of this 381  
section within sixty days after receiving the notice provided 382  
under division (D) of this section, division ~~(D)~~ (E) of section 383  
319.202, or division (B) of section 323.131 of the Revised Code. 384

**Section 2.** That existing sections 319.202, 2105.16, and 385  
5323.02 of the Revised Code are hereby repealed. 386

**Section 3.** This act shall be known as the Ohio Property 387  
Protection Act. 388