



House State and Local Government Committee Proponent Testimony for House Bill 74 June 27, 2023

Chair John, Vice Chair Dean, Ranking Member Brennan and members of the House State and Local Government Committee, thank you for the opportunity to provide written testimony in support of HB 74.

Formed in 1910, Ohio REALTORS® is the state's largest professional trade organization with nearly 37,000 members representing both residential and commercial practitioners, as well as auctioneers and appraisers. We applaud Representatives Hall and Lightbody for introducing this bill and hope the information in our testimony will be helpful as you consider this legislation.

Ohio REALTORS® support House Bill 74 and the bill sponsors' efforts at modernizing various systems across Ohio. Our testimony will focus on the need to modernize the real estate licensing system in our state that directly affects our REALTOR® members.

Many policymakers in Ohio are surprised when they learn that many state real estate licensing functions are paper-based and not available on an online platform. HB 74 attempts to not only shed light on statewide technological inadequacies, but we also hope it will lead to improvements that our industry desperately needs.

To better illustrate the impact of Ohio's real estate industry, there are over 42,000 brokers and salespeople licensed by the Division of Real Estate and Professional Licensing (DREPL). The real estate industry provides many economic benefits here in Ohio. Research shows the Ohio real estate industry accounted for \$107.7 billion, or 14.6% of the gross state product in 2021. Additionally, the average home sale in Ohio has a total economic impact of \$72,800. This is money that is put back into the economy, through construction, commissions, moving expenses, appliances, remodeling and other expenditures. In short, the real estate industry and REALTORS® are certainly playing a critical role in keeping the Ohio economy moving forward.

The DREPL has worked to improve their licensing system; however, we hope HB 74 will lead to identifying additional improvements that can be made to meet the needs of tens of thousands of real estate professionals working in Ohio. The DREPL needs the resources necessary to improve its system and we believe HB 74 will help in this process. The DREPL falls under the Department of Commerce. Staff at the DREPL have worked diligently to keep up with paperwork and customer service inquiries, but a robust real estate market as well as staffing challenges has made it nearly impossible to process licensing needs when there limited online options. With that said, we would be remiss if we did not express our Association's sincere gratitude to the DREPL staff for their dedication, long hours, and tireless effort processing the paperwork they receive.

When looking at surrounding states, Ohio has the most real estate licensees of any of the contiguous states.





Unfortunately, Ohio offers few online functions when compared to those states. Ohio has not kept up with the modernization and digitization of real estate licensing business needs, and we are hopeful that HB 74 will shed light on our industry's needs and assist in making improvements to the system.

Depending on a paper-based system and the mail does not allow for a seamless, efficient licensing system. The system is outdated and does not best serve the industry professionals who deserve and need an online system to keep their licenses current and active. HB 74 will improve policymakers' understanding of the viability of Ohio's current IT infrastructure and will identify improvements that can be made to benefit Ohio's licensed professionals.

We appreciate the opportunity to provide written proponent testimony on HB 74 and thank Representatives Hall and Lightbody for their work on this important legislation. We respectfully ask for the committee's support.

Sincerely,

Scott Williams

Chief Executive Officer

Scottle Will.

Ohio REALTORS®



