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<u>Committees</u> Civil Justice, *Ranking Member* Constitutional Resolutions Criminal Justice Government Oversight Rules & Reference

Tavia Galonski

Assistant Minority Whip | Ohio House District 33 Sponsor Testimony, H.B. 134 | April 18, 2023

Chair Roemer, Vice Chair Merrin, Ranking Member Troy, and members of the House Ways and Means Committee, thank you for the opportunity for myself and Representative Dell'Aquila to offer sponsor testimony for House Bill 134. As my joint sponsor has already mentioned, this legislation will protect homeowners and make the tax lien certificate sale process more transparent in Ohio.

The need to address existing issues with this process was brought to Rep. Dell'Aquila and my attention during a conversation we had with members of the Community Bankers Association of Ohio earlier this year.

I believe my joint sponsor has explained the legal basis for this legislation very well, so I would like to focus on the impact that HB 134 would have on both constituents and interested parties involved in tax lien certificate sales.

Under continuing law, county treasurers are allowed – but not required – to notify property owners 30 days in advance of any tax certificate auction. As a result, many homeowners do not receive clear communication of their debt being sold and risk losing their homes – often through no deliberate fault of their own. Additionally, mortgage lenders who may have been willing and able to intervene to assist with or resolve the property owner's tax issue, often do not have the opportunity to do so due to current statute. In other words, existing law in Ohio causes problems for property owners and lenders alike – problems that would be avoided through proper advance notification.

House Bill 134 is a small, but effective change that will provide more transparency for all parties involved in tax lien sales by requiring that each party — not just the owner of record — be notified of the sale by their county treasurer's office. By keeping every interested party informed, it would ensure that homeowners are given sufficient time to address their back taxes and reduce the risk of miscommunications between county tax authorities, lienholders, lenders, and homeowners that can result in foreclosures, losses of lien protection, and losses in county tax revenue.

Simply put, not only will HB 134 save county tax authorities money — it will also save Ohioans from losing their homes when they may already be dealing with financial burdens such as illness, unemployment, or other unexpected major expenses.

Thank you again for the opportunity to testify in support of this simple yet important legislation this afternoon. At this time, my joint sponsor and I would be happy to answer any questions that you may have.