

As Introduced

135th General Assembly

Regular Session

2023-2024

H. B. No. 438

Representatives Williams, Jarrells

Cosponsors: Representatives Upchurch, Plummer, Johnson, Click, Humphrey, Young, T., Hillyer, Blackshear, Weinstein, Miranda, Isaacsohn, Piccolantonio, Grim, Brewer, Somani, Miller, J., Thomas, C., Mohamed, Miller, A., Baker, Dobos

A BILL

To amend section 4735.181 and to enact section 1
4735.80 of the Revised Code to prohibit a real 2
estate broker or salesperson from disclosing a 3
purchaser's name, age, race, or address before 4
the purchaser and seller agree to the contract 5
terms and to name this act the Homebuyer 6
Protection Act. 7

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

Section 1. That section 4735.181 be amended and section 8
4735.80 of the Revised Code be enacted to read as follows: 9

Sec. 4735.181. (A) No real estate broker or salesperson 10
licensed pursuant to this chapter shall fail to comply with 11
divisions (B) and (D) of section 4735.13, division (D) of 12
section 4735.14, or sections 4735.22, 4735.55, 4735.56, ~~and~~ 13
4735.58, and 4735.80 of the Revised Code or any rules adopted 14
under those divisions or sections. 15

(B) When the superintendent determines that a licensee has 16

violated division (A) of this section, the superintendent may do 17
either of the following: 18

(1) Initiate disciplinary action under section 4735.051 of 19
the Revised Code, in accordance with Chapter 119. of the Revised 20
Code; 21

(2) Personally, or by certified mail, serve a citation and 22
impose sanctions in accordance with this section upon the 23
licensee. 24

(C) Every citation served under this section shall give 25
notice to the licensee of the alleged violation or violations 26
charged and inform the licensee of the opportunity to request a 27
hearing in accordance with Chapter 119. of the Revised Code. The 28
citation also shall contain a statement of a fine of up to two 29
hundred dollars per violation. All fines collected pursuant to 30
this section shall be credited to the real estate recovery fund, 31
created in the state treasury under section 4735.12 of the 32
Revised Code. 33

(D) If any licensee is cited three times under this 34
section within twelve consecutive months, the superintendent 35
shall initiate disciplinary action pursuant to section 4735.051 36
of the Revised Code for any subsequent violation that occurs 37
within the same twelve-month period. 38

If a licensee fails to request a hearing within thirty 39
days after the date of service of the citation, or the licensee 40
and the superintendent fail to reach an alternative agreement, 41
the citation shall become final. 42

(E) Unless otherwise indicated, the licensee named in a 43
final citation under this section must meet all requirements 44
contained in the final citation within thirty days after the 45

effective date of that citation.

(F) The superintendent shall suspend automatically a licensee's license if the licensee fails to comply with division (E) of this section.

Sec. 4735.80. (A) As used in this section:

(1) "Disclosure of agency relationship" means the disclosures required pursuant to section 4735.58 of the Revised Code and any related rules adopted by the Ohio real estate commission.

(2) "Pre-approval letter" means a document from a lender stating that the lender is tentatively willing to lend to the purchaser, up to a certain loan amount.

(3) "Proof of funds document" means a document that ensures that the funds needed to execute the transaction fully are accessible and legitimate.

(4) "Written brokerage policy on agency" means the written policy required pursuant to section 4735.56 of the Revised Code and any related rules adopted by the Ohio real estate commission.

(B) (1) Notwithstanding any provision of the Revised Code to the contrary, a licensee working directly with a prospective purchaser in a real estate transaction, whether as the purchaser's agent, the seller's agent, or the seller's subagent, shall not disclose the prospective purchaser's name, age, race, or address on any document provided to the seller, seller's agent, or seller's subagent relating to the offer to purchase the property, including any loan pre-approval letter or a proof of funds document. The purchaser's initials may be used in place of the purchaser's full name on such documents.

(2) For purposes of relaying information related to a pre- 75
approval letter or proof of funds document to the seller, 76
seller's agent, or seller's subagent, the licensee working 77
directly with a prospective purchaser shall provide the seller, 78
seller's agent, or seller's subagent a signed and notarized 79
affidavit acknowledging receipt by the licensee of a pre- 80
approval letter or a proof of funds document and the amount of 81
funds pre-approved or the amount accessible and legitimate, as 82
applicable. 83

(C) Once the purchaser and seller agree to the contract 84
terms, the licensee shall, within forty-eight hours, supplement 85
the offer contract, the disclosure of agency relationship, and 86
written brokerage policy on agency with the purchaser's name and 87
current address and all other relevant information that was 88
redacted or omitted pursuant to division (B) of this section. 89
The licensee may also provide any pre-approval letter or proof 90
of funds document. 91

Section 2. That existing section 4735.181 of the Revised 92
Code is hereby repealed. 93

Section 3. This act shall be known as the Homebuyer 94
Protection Act. 95