



www.lsc.ohio.gov

# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 438  
(1\_135\_1317-5)  
135<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 438's Bill Analysis](#)

**Version:** In House Civil Justice

**Primary Sponsors:** Reps. Williams and Jarrells

**Local Impact Statement Procedure Required:** No

Terry Steele, Senior Budget Analyst

### Highlights

- The bill could result in some new administrative costs for the Division of Real Estate and Professional Licensing within the Department of Commerce to adopt rules dealing with the content of residential real estate purchase agreements and other requirements under the bill.
- The bill allows the Superintendent of Real Estate and Professional Licensing to issue a citation and fine of up to \$200 for violations of the bill. All fines levied under the bill would be deposited into the Real Estate Recovery Fund (Fund 5480).

### Detailed Analysis

The bill establishes the Homebuyer Protection Act, which requires the Superintendent of Real Estate and Professional Licensing to adopt rules within one year, to require a real estate broker or salesperson working directly with a prospective homebuyer to withhold the prospective purchaser's name and address on any document provided to the seller or seller's agent until the purchaser and seller enter into a contract. The bill further requires the Superintendent's rules to require a real estate broker or salesperson marketing a home to provide the seller a form, created by the Superintendent, that discloses all anti-discrimination laws related to the home buying process. The Division of Real Estate and Professional Licensing might incur some new administrative costs to comply with these new requirements.

The bill applies a fine of up to \$200 to the licensed broker and salesperson for each violation of the bill, the same fine that currently applies to various other violations of real estate law. Any fine revenue generated under the bill is deposited into the Real Estate Recovery Fund (Fund 5480). It is unclear how many citations would be issued or fine revenue collected as a result

of the bill. As of November 20, 2024, the state's e-Licensing system shows that there are approximately 40,000 active licensed real estate brokers and salespersons in Ohio.

## **Synopsis of Fiscal Effect Changes**

- The changes under I\_135\_1317-5 do not appear to change the minimal fiscal impacts in the As Introduced bill. The bill requires the Superintendent of Real Estate and Professional Licensing to establish rules within one year of the effective date of the bill, that requires a real estate broker working with a prospective homebuyer to withhold a prospective purchaser's name and address on any documents until the buyer and seller enter into a purchase contract. The previous version of the bill prohibited sharing the purchaser's name and address, as well as age and race.
- The bill also requires the Superintendent to establish a form to be used in residential real estate sales that discloses all applicable antidiscrimination laws in the home buying process. There appears to be little to no fiscal effect from this change.