



www.lsc.ohio.gov

# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

S.B. 192  
135<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for S.B. 192's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsors:** Sen. Brenner

**Local Impact Statement Procedure Required:** No

Tom Wert, Senior Budget Analyst

### Highlights

- The bill requires certain individuals engaged in activities related to residential real estate contracts to be licensed as a real estate broker. This may result in an indeterminate increase in the number of licensed real estate brokers and a corresponding increase in license fee revenue deposited to the credit of the Division of Real Estate Operating Fund (Fund 5490).
- The Division could incur some negligible costs to develop disclosure forms that must be used by real estate wholesalers under the bill.

### Detailed Analysis

The bill requires individuals dealing in residential real estate contracts, regardless of whether those dealings are on behalf of another person, to be licensed as a real estate broker. Under current law, only individuals engaged in specified real estate activities on behalf of another person must be licensed. Expanding the license requirement in this manner may increase the number of real estate broker licenses issued by the Department of Commerce (COM) Division of Real Estate and Professional Licensing, though the magnitude of any increase is uncertain. To become a licensed real estate broker, applicants must take an examination and pay a \$150 examination fee. Initial licenses are valid until the applicant's first birthday after the examination after which the broker may renew the license for a three-year term for a fee of \$243. Fees are deposited to the credit of the Division of Real Estate Operating Fund (Fund 5490).

The bill also defines real estate wholesalers as persons or entities that, for a fee, commission, or other valuable consideration, or with the intention, in the expectation, or upon the promise of receiving or collecting a fee, commission, or other valuable consideration, enters into a purchase contract for residential real property either as the grantee, and assigns or novates

that contract to another person or entity, [or] as the grantor, and, without holding legal title to that real property, assigns or novates that contract to another person or entity. The bill requires wholesalers to provide certain disclosures before entering contracts transferring real estate. These disclosures must be made using forms developed by the Superintendent of Real Estate. The Division may incur some small costs to develop these disclosure forms. Costs would likely be paid from Fund 5490.