



www.lsc.ohio.gov

# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 438  
135<sup>th</sup> General Assembly

## Bill Analysis

[Click here for H.B. 438's Fiscal Note](#)

**Version:** As Reported by House Civil Justice

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

Carla Napolitano, Attorney

### SUMMARY

- Requires the Superintendent of the Division of Real Estate and Professional Licensing to adopt rules that require a real estate broker or salesperson to provide the seller, prior to listing or marketing the home, a disclosure of all laws that relate to anti-discrimination in the home-buying process and the penalties for violating those laws.
- Exempts the rules from continuing law requirements concerning the reduction of regulatory restrictions.
- Prohibits the real estate broker or salesperson from marketing or showing a seller's home before providing the disclosure form to the seller and receiving a signed and dated copy from the seller.
- Authorizes the Superintendent to enforce the bill's provisions.
- Names the bill the "Homebuyer Protection Act."

### DETAILED ANALYSIS

#### Homebuyer Protection Act

The bill requires the Superintendent of Real Estate and Professional Licensing, within one year of the bill's effective date, to adopt rules that require a real estate broker or salesperson to provide a disclosure form to the seller of residential real estate prior to listing or marketing the home. The disclosure form must list all federal and state laws that relate to anti-discrimination in the home-buying process and the penalties for any violation of those laws. The bill is named the "Homebuyer Protection Act."<sup>1</sup>

<sup>1</sup> R.C. 4735.80 and Section 3.

## Disclosure of anti-discrimination laws

The disclosure form required by the bill must outline the federal and state laws that relate to anti-discrimination in the home-buying process including, specifically, Ohio and federal Fair Housing laws and a statement defining the practice of “blockbusting.” The Division of Real Estate must develop and maintain this form. Under continuing law, all brokers and salespersons are required to enter into a written agency agreement prior to engaging in activities on behalf of a buyer or seller in residential real estate transactions. The agency agreement must include a statement on Ohio and federal Fair Housing laws, the illegality of blockbusting, and a copy of the U.S. Department of Housing and Urban Development Equal Housing Opportunity logotype. It seems that the form required by the bill and the disclosures required in written agency agreements under continuing law will include the same or similar information. It is not clear whether the disclosures must be provided as separate documents.<sup>2</sup>

Under the bill, a real estate broker or salesperson cannot market or show a seller’s residential real estate before providing the seller with the disclosure and receiving a signed and dated copy from the seller. The broker or salesperson must retain the signed and dated copy of the disclosure for at least three years following the closing date on the seller’s residential real estate.<sup>3</sup>

## Enforcement

When the Superintendent determines that a real estate broker or salesperson has violated the bill, the Superintendent may either initiate disciplinary action or serve a citation.<sup>4</sup> Both options are governed by continuing law. If the Superintendent chooses to take disciplinary action, then after notice and a hearing, the following sanctions may be imposed on a broker or salesperson who has *willfully disregarded* or violated the bill:

- License suspension or revocation;
- A fine of up to \$2,500 per violation;
- A public reprimand;
- Completion of additional continuing education coursework.<sup>5</sup>

If the Superintendent instead serves a citation, the citation must provide notice of the alleged violation and the opportunity to request a hearing as well as a statement of a fine of up to \$200 per violation. In addition, the Superintendent may take disciplinary action against violators who have been issued a citation and who commit repeated violations within specified time frames. Once the citation is final (based on a hearing, failure to timely request a hearing,

---

<sup>2</sup> R.C. 4735.80(A); R.C. 4735.55, not in the bill.

<sup>3</sup> R.C. 4735.80(B).

<sup>4</sup> R.C. 4735.181.

<sup>5</sup> R.C. 4735.181; R.C. 4735.051 and 4735.18, not in the bill.

or failure to reach an alternative agreement), the violator must meet all the requirements in the citation, such as payment of a fine, within 30 days. Automatic license suspension is required for failure to do so.<sup>6</sup>

## Rules

The bill exempts the rules adopted under the bill from continuing law requirements concerning the reduction of regulatory restrictions.<sup>7</sup>

---

## HISTORY

Action	Date
Introduced	03-04-24
Reported, H. Civil Justice	12-18-24

---

ANHB0438RH-135/ts

---

<sup>6</sup> R.C. 4735.181.

<sup>7</sup> R.C. 4735.80(C); R.C. 121.95 to 121.953, not in the bill.