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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

S.B. 281  
134<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsor:** Sen. Schaffer

Zachary P. Bowerman, Attorney

### SUMMARY

- Requires the Department of Development to reimburse eligible residential landlords for unpaid rent and other tenant obligations arising during a federal eviction moratorium.
- Caps reimbursement at \$12,000 per residential unit per calendar year.
- Authorizes reimbursement for tenant obligations due and unpaid before, on, or after the bill's 90-day effective date.

### DETAILED ANALYSIS

#### Landlord reimbursement program

The bill requires the Department of Development (DEV) to reimburse eligible residential landlords for rent, utilities, penalties, interest, late fees, and other amounts that were unpaid during any eviction moratorium imposed under federal law or order due to the COVID-19 pandemic. A residential landlord qualifies for relief if a tenant failed to pay an amount required by the rental agreement on an in-state rental unit while the landlord was prohibited from filing an eviction pursuant to the moratorium. Colleges and universities do not qualify for reimbursement.<sup>1</sup>

#### Application requirements

To obtain a reimbursement, a residential landlord must apply to DEV by January 31 of the year following the calendar year in which the payments were due under the rental agreement, but not paid due to the eviction moratorium. However, if that application deadline is before the bill's 90-day effective date, the landlord may apply for reimbursement on the basis of such nonpayment within 30 days after that effective date. In effect, this special 30-day

<sup>1</sup> R.C. 122.631(A) to (C).

application period enables a landlord to receive reimbursements for eligible amounts incurred before that effective date.

A landlord may submit, and DEV may approve, only one application per residential premises for each calendar year. If the landlord operates multiple residential premises, they may submit an application for each separately or one combined application. An application must include sufficient documentation to verify the nonpayment and the landlord's eligibility for reimbursement and must be signed only by the landlord or the landlord's agent.<sup>2</sup> Recklessly making a false statement on an application is a fifth degree felony, which is generally punishable by up to one year in prison and up to a \$2,500 fine. An additional fine of up to \$7,500 may also be imposed.<sup>3</sup>

### **Reimbursement determinations and amount**

After receiving an application, DEV has 30 days to determine if the landlord qualifies for reimbursement. If DEV approves the application, it must reimburse the applicant for any qualifying unpaid amounts, but the total reimbursement may not exceed \$12,000 per year for any one residential premises. Reimbursements must be paid from federal funds received by the state pursuant to the Consolidated Appropriations Act or the American Rescue Plan Act.<sup>4</sup>

If DEV determines the landlord does not qualify for reimbursement, in whole or in part, it must notify the landlord of that determination and the reason for it. The landlord may appeal the denial pursuant to rules adopted by DEV and may further proceed with a judicial appeal in a similar manner to other parties aggrieved by the action of a state agency.<sup>5</sup>

### **Repayment**

If a landlord receives a full or partial payment satisfying obligations that were reimbursed under the bill, the landlord has 90 days to repay the reimbursement amount to DEV. If DEV determines that a landlord fails to properly repay a reimbursement, it may bar the landlord from applying for further reimbursements.<sup>6</sup>

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<sup>2</sup> R.C. 122.631(B).

<sup>3</sup> R.C. 122.631(G) and 122.99; R.C. 2929.14 and 2929.18, not in the bill.

<sup>4</sup> "Consolidated Appropriations Act, 2021," Pub. L. No. 116-260 and "American Rescue Plan Act of 2021," Pub. L. No. 117-2.

<sup>5</sup> R.C. 122.631(C), (D), (E), and (H).

<sup>6</sup> R.C. 122.631(F).

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## HISTORY

Action	Date
Introduced	01-12-22

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