



www.lsc.ohio.gov

# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

S.B. 354  
134<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsor:** Sen. Blessing

Michael Hinel, Attorney

### SUMMARY

- Prohibits a person from bidding on residential property sold at a foreclosure or an execution sale if the person owes any fines to the state or a political subdivision for building code violations or owns residential property with known, unremedied building code violations.
- Establishes the Ohio Housing Study Committee to study housing-related institutional investing, rent control, and market-rate affordability.

### DETAILED ANALYSIS

#### Bidding eligibility in foreclosure and execution sales

Under continuing law, the county sheriff or private selling officer who is selling property at a foreclosure or execution sale, as well as any appraiser of that property, is prohibited from purchasing the property sold at such a sale. Appraisals are typically conducted to determine the minimum sale price, usually two-thirds of the property's appraised value. Current Ohio law does not otherwise restrict who may bid on the property.<sup>1</sup>

The bill limits who may bid on residential properties that have up to four single-family units. Specifically, any person who solely or partly owns residential property with up to four single-family units is ineligible to submit a bid for another property that has up to four single-family units if the person (1) owes any outstanding fines to the state, a county, a municipal corporation, or a township for building code violations, or (2) has any known building code

<sup>1</sup> R.C. 2329.20 and 2329.39, not in the bill.

violations that have not been remedied on any residential property that the person solely or partly owns.<sup>2</sup>

Courts sometimes order the sale of real estate to satisfy a debt. The sales can result from debts related to the property being sold, such as unpaid mortgage debt or unpaid property taxes, or from unrelated debts. When property is sold to satisfy a debt that is not related to the property, that property is sold “on execution” or at an “execution sale,” because the sale executes the court’s order for the debtor to pay the debt. When property is ordered sold to satisfy a debt related to the property, it is sold “at foreclosure” or “on order of sale.” The term “foreclosure” refers to the foreclosure of the debtor’s right to prevent the sale by paying the amount due, called “the equity of redemption.”<sup>3</sup>

The county sheriff is responsible for auctioning property sold at a foreclosure or an execution sale, unless the court approves the plaintiff’s motion to utilize a “private selling officer” – an Ohio resident who is licensed both as (1) an auctioneer and (2) either a real estate broker or real estate salesperson. Sheriff’s sales may be conducted either at a physical location or on a statewide auction website; the law will eventually require county sheriffs to use that website for all residential property sales. Private selling officers may auction property either at a physical location or online. Regardless of who carries out the sale and in what manner, the auction must be advertised before it occurs for three consecutive weeks in a newspaper of general circulation in the county where the property being sold is located.<sup>4</sup>

## Ohio Housing Study Committee

The bill establishes the Ohio Housing Study Committee for the purpose of studying housing-related institutional investing, rent control, and market-rate affordability. The Committee may, but is not required to, report its findings. The Department of Commerce’s Division of Real Estate and Professional Licensing must provide any requested administrative support to the Committee.

The Committee will be comprised of a total of 16 members, including six from the General Assembly. The Committee includes all of the following:

- Three members from the House of Representatives, one of whom is from the minority party, appointed by the Speaker and Minority Leader of the House of Representatives;
- Three members from the Senate, one of whom is from the minority party, appointed by the President and Minority Leader of the Senate;
- Two members, appointed by the Governor, that represent the business community;
- Two members appointed by the Ohio Municipal League;

---

<sup>2</sup> R.C. 2329.27.

<sup>3</sup> R.C. 2329.33 and 5721.25, not in the bill.

<sup>4</sup> R.C. 2329.01, 2329.152, 2329.153, 2329.17, 2329.20, 2329.26, 5721.19, and 5721.191, not in the bill.

- Two members appointed by the Ohio Housing Council;
- Two members appointed by the County Auditors’ Association of Ohio;
- Two members appointed by Ohio Realtors.

The Committee will be co-chaired by one member of the majority party from each house of the General Assembly. All appointments must be made no later than January 1, 2024, and the Committee will disband on October 31, 2024.<sup>5</sup>

---

---

## HISTORY

Action	Date
Introduced	07-14-22

---

ANSB0354IN-134/ec

---

<sup>5</sup> Section 3.