

**As Passed by the House**

**127th General Assembly**

**Regular Session**

**2007-2008**

**Am. Sub. H. B. No. 359**

**Representative Huffman**

**Cosponsors: Representatives McGregor, J., Peterson, Healy, McGregor, R., Jones, Bacon, Adams, Lundy, Stebelton, Evans, Gibbs, Letson, Slesnick, Patton, Batchelder, Bolon, Boyd, Brown, Chandler, Combs, DeBose, DeGeeter, Dolan, Domenick, Dyer, Flowers, Hite, Hughes, Luckie, Newcomb, Oelslager, Setzer, Skindell, Stewart, D., Strahorn, Williams, S., Yuko**

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**A B I L L**

To amend sections 321.261 and 323.47 of the Revised 1  
Code to authorize the prosecutor and treasurer of 2  
a county with a population greater than 100,000 to 3  
utilize surplus delinquent tax collections to 4  
facilitate nuisance abatement of deteriorated 5  
residential buildings in foreclosure and to 6  
prosecute criminal and civil real estate 7  
transaction-related violations of the law, and to 8  
require all taxes, penalties, and assessments 9  
known to be a lien against foreclosed property 10  
when the deed is transferred to be discharged out 11  
of the proceeds of judicial and partition sales. 12  
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**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 321.261 and 323.47 of the Revised 14  
Code be amended to read as follows: 15

Sec. 321.261. (A) Five per cent of all delinquent real 16  
property, personal property, and manufactured and mobile home 17  
taxes and assessments collected by the county treasurer shall be 18  
deposited in the delinquent tax and assessment collection fund, 19  
which shall be created in the county treasury. ~~The~~ Except as 20  
otherwise provided in division (B) of this section, the moneys in 21  
the fund, one-half of which shall be appropriated by the board of 22  
county commissioners to the treasurer and one-half of which shall 23  
be appropriated to the county prosecuting attorney, shall be used 24  
solely in connection with the collection of delinquent real 25  
property, personal property, and manufactured and mobile home 26  
taxes and assessments. 27

Annually by the first day of December, the treasurer and the 28  
prosecuting attorney each shall submit a report to the board 29  
regarding the use of the moneys appropriated to their respective 30  
offices from the delinquent tax and assessment collection fund. 31  
Each report shall specify the amount appropriated to the office 32  
during the current calendar year, an estimate of the amount so 33  
appropriated that will be expended by the end of the year, a 34  
summary of how the amount appropriated has been expended in 35  
connection with delinquent tax collection activities, and an 36  
estimate of the amount that will be credited to the fund during 37  
the ensuing calendar year. 38

(B) In a county having a population of more than one hundred 39  
thousand according to the department of development's 2006 census 40  
estimate, if the county treasurer or prosecuting attorney 41  
determines that the amount appropriated to the office from the 42  
county's delinquent tax and assessment collection fund under 43  
division (A) of this section exceeds the amount required to be 44  
used as prescribed by that division, the county treasurer or 45  
prosecuting attorney may expend the excess to assist townships or 46  
municipal corporations located in the county as provided in this 47

division, provided that the combined amount so expended each year 48  
in a county shall not exceed three million dollars. Upon 49  
application for the funds by a township or municipal corporation, 50  
the county treasurer and prosecuting attorney may assist the 51  
township or municipal corporation in abating foreclosed 52  
residential nuisances, including paying the costs of securing such 53  
buildings, lot maintenance, and demolition. At the prosecuting 54  
attorney's discretion, the prosecuting attorney also may apply the 55  
funds to costs of prosecuting alleged violations of criminal and 56  
civil laws governing real estate and related transactions, 57  
including fraud, abuse, and predatory lending. 58

For the purposes of this division, "predatory lending" 59  
includes, but is not limited to: 60

(1) An act, conduct, or omission violating sections 1322.07, 61  
1322.071, and 1322.075 of the Revised Code; 62

(2) Failing to provide a consumer with clear and balanced 63  
information regarding mortgage loan terms, the level of risk, and 64  
the severity of borrowing on terms that may result in a 65  
significant increase in payment obligation or negative 66  
amortization; 67

(3) Making unsubstantiated statements as to the future 68  
direction of interest rates, or one-sided representations about 69  
the cash savings or expanded buying power to be realized from a 70  
loan that may result in a significant increase in payment 71  
obligation or negative amortization; 72

(4) Any combination of factors caused by obscuring a 73  
significant risk under the loan that results in unfavorable and 74  
unjustifiable loan terms for a borrower. 75

**Sec. 323.47.** If land held by tenants in common is sold upon 76  
proceedings in partition, or taken by the election of any of the 77

parties to such proceedings, or real estate is sold at judicial 78  
sale, or by administrators, executors, guardians, or trustees, the 79  
court shall order that the taxes, penalties, ~~and assessments then~~ 80  
~~due and payable~~, and interest thereon, that are or will be a lien 81  
on such land or real estate at the time the deed is transferred 82  
following the sale, be discharged out of the proceeds of such sale 83  
or election. For purposes of determining such amount, the county 84  
treasurer ~~may~~ shall estimate the amount of taxes, assessments, 85  
interest, and penalties that will be ~~payable~~ a lien on the land or 86  
real estate at the time the deed of the property is transferred to 87  
the purchaser. If the county treasurer's estimate exceeds the 88  
amount of taxes, assessments, interest, and penalties ~~actually~~ 89  
~~payable~~ that are a lien when the deed is transferred to the 90  
purchaser, the officer who conducted the sale shall refund to the 91  
purchaser the difference between the estimate and the actual 92  
amount ~~actually payable~~ of the lien. If the amount of taxes, 93  
assessments, interest, and penalties ~~actually payable~~ that are a 94  
lien when the deed is transferred to the purchaser exceeds the 95  
county treasurer's estimate, the officer shall certify the amount 96  
of the excess to the treasurer, who shall enter that amount on the 97  
real and public utility property tax duplicate opposite the 98  
property; the amount of the excess shall be payable at the next 99  
succeeding date prescribed for payment of taxes in section 323.12 100  
of the Revised Code. 101

**Section 2.** That existing sections 321.261 and 323.47 of the 102  
Revised Code are hereby repealed. 103