## As Reported by the House Public Safety and Homeland Security Committee

# 128th General Assembly Regular Session 2009-2010

Sub. H. B. No. 33

#### **Representative Dyer**

Cosponsors: Representatives Hagan, Williams, B., Boyd, Chandler, Harris, DeBose, Winburn

### A BILL

To amend sections 2921.13, 4505.08, and 5302.30 and
to enact sections 109.5731 and 3701.181 of the
Revised Code to establish identification,
reporting, and disclosure requirements governing
illegal methamphetamine manufacturing laboratories
and to name the act the Methamphetamine Awareness
and Notification Act.

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#### BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 2921.13, 4505.08, and 5302.30 be	8
amended and sections 109.5731 and 3701.181 of the Revised Code be	9
enacted to read as follows:	10
Sec. 109.5731. (A) As used in this section, "illegal	11
methamphetamine manufacturing laboratory" has the same meaning as	12
in section 3745.13 of the Revised Code.	13
(B) If a law enforcement agency discovers an illegal	14
methamphetamine manufacturing laboratory, the law enforcement	15
agency that makes the discovery shall inform the superintendent of	16
the bureau of criminal identification and investigation in writing	17

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injury, death, or loss to person or property as a result of a	172
violation of this section.	173
Sec. 3701.181. (A) The owner of real property that pursuant	174
to section 109.5731 of the Revised Code has been included in the	175
bureau of criminal identification and investigation's database of	176
properties on which illegal methamphetamine manufacturing	177
laboratories have been discovered may submit to the director of	178
health and to the superintendent of the bureau of criminal	179
identification and investigation a copy of the affidavit that is	180
required to be submitted to the owner by a contractor in	181
accordance with rules adopted under this section attesting that	182
methamphetamine residue has been removed from the property in	183
accordance with quidelines established in those rules.	184
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(B) The director of health may adopt rules in accordance with	185
Chapter 119. of the Revised Code establishing guidelines for the	186
removal of methamphetamine residue from real property on which an	187
illegal methamphetamine manufacturing laboratory has been	188
discovered when a federal agency establishes guidelines for the	189
removal of methamphetamine residue from real property. Rules	190
adopted under this section shall conform with the guidelines	191
established by the federal agency. In addition, the rules shall	192
require a contractor responsible for conducting the removal of	193
methamphetamine residue from real property to submit to the owner	194
of the real property a notarized affidavit that attests that the	195
contractor has removed the methamphetamine residue in compliance	196
with the guidelines that are established in rules adopted under	197
this section and that conform with the quidelines established by	198
the federal agency.	199
(C) As used in this section, "illegal methamphetamine	200
manufacturing laboratory" has the same meaning as in section	201
3745.13 of the Revised Code.	202

Sec. 4505.08. (A) When the clerk of a court of common pleas 203 issues a physical certificate of title, the clerk shall issue the 204 certificate of title on a form and in a manner prescribed by the 205 registrar of motor vehicles. The clerk shall file a copy of the 206 physical evidence for the creation of the certificate of title in 207 a manner prescribed by the registrar. A clerk may retain digital 208 images of documents used as evidence for issuance of a certificate 209 of title. Certified printouts of documents retained as digital 210 images shall have the same evidentiary value as the original 211 physical documents. The record of the issuance of the certificate 212 of title shall be maintained in the automated title processing 213 system. The clerk shall sign and affix the clerk's seal to the 214 original certificate of title and, if there are no liens on the 215 motor vehicle, shall deliver the certificate to the applicant or 216 the selling dealer. If there are one or more liens on the motor 217 vehicle, the certificate of title shall be delivered to the holder 218 of the first lien or the selling dealer, who shall deliver the 219 certificate of title to the holder of the first lien. 220

The registrar shall prescribe a uniform method of numbering 221 certificates of title, and such numbering shall be in such manner 222 that the county of issuance is indicated. The clerk shall assign 223 numbers to certificates of title in the manner prescribed by the 224 registrar. The clerk shall file all certificates of title 225 according to rules to be prescribed by the registrar, and the 226 clerk shall maintain in the clerk's office indexes for the 227 certificates of title. 228

The clerk need not retain on file any current certificates of 229 title, current duplicate certificates of title, current memorandum 230 certificates of title, or current salvage certificates of title, 231 or supporting evidence of them covering any motor vehicle or 232 manufactured or mobile home for a period longer than seven years 233 after the date of its filing; thereafter, the documents and 234

supporting evidence may be destroyed. The clerk need not retain on 235 file any inactive records, including certificates of title, 236 duplicate certificates of title, or memorandum certificates of 237 title, or supporting evidence of them, including the electronic 238 record described in division (A) of section 4505.06 of the Revised 239 Code, covering any motor vehicle or manufactured or mobile home 240 for a period longer than five years after the date of its filing; 241 thereafter, the documents and supporting evidence may be 242 destroyed. 243

The automated title processing system shall contain all 244 active records and an index of the active records, a record and 245 index of all inactive titles for ten years, and a record and index 246 of all inactive titles for manufactured and mobile homes for 247 thirty years. If the clerk provides a written copy of any 248 information contained in the database, the copy shall be 249 considered the original for purposes of the clerk certifying the 250 record of the information for use in any legal proceeding. 251

- (B)(1) If the clerk issues a certificate of title for a motor 252 vehicle that was last previously registered in another state, the 253 clerk shall record verbatim, where practicable, in the space on 254 the title described in division (B)(19) of section 4505.07 of the 255 Revised Code, the words that appear as a notation to the vehicle 256 on the title issued by the previous state. These notations may 257 include, but are not limited to, words to the effect that the 258 vehicle was considered or was categorized by the state in which it 259 was last previously registered to be a law enforcement vehicle or 260 a taxicab or was once in a flood. 261
- (2) If the clerk, while issuing a certificate of title for a 262 motor vehicle that was last previously registered in another 263 state, receives information from the automated title processing 264 system indicating that a title to the vehicle previously was 265 issued by this state and that the previous title contained 266

notations that appeared in the space described in division (B)(19) 267 or (20) of section 4505.07 of the Revised Code, the clerk shall 268 enter the notations that appeared on the previous certificate of 269 title issued by this state on the new certificate of title in the 270 space described in division (B)(19) or (20) of section 4505.07 of 271 the Revised Code, irrespective of whether the notations appear on 272 the certificate of title issued by the state in which the vehicle 273 was last previously registered. 274

- (3) If the clerk, while issuing a certificate of title for a 275 motor vehicle that was last previously registered in another 276 state, receives information from the automated title processing 277 system indicating that the vehicle was previously issued a title 278 by this state and that the previous title bore the notation 279 "REBUILT SALVAGE" as required by division (E) of section 4505.11 280 of the Revised Code, or the previous title to the vehicle issued 281 by this state was a salvage certificate of title, the clerk shall 282 cause the certificate of title the clerk issues to bear the 283 notation "REBUILT SALVAGE" in the location prescribed by the 284 registrar pursuant to that division. 285
- (C) When the clerk issues a certificate of title for a motor 286 vehicle that was last previously registered in this state and was 287 a law enforcement vehicle or a taxicab or was once in a flood, the 288 clerk shall record that information in the space on the title 289 described in division (B)(20) of section 4505.07 of the Revised 290 Code. In addition, when the clerk issues a certificate of title to 291 a law enforcement agency for a motor vehicle that has been seized 292 by the agency and the clerk is informed by the agency that the 293 vehicle is listed on the illegal methamphetamine manufacturing 294 laboratory database established under section 109.5731 of the 295 Revised Code, the clerk shall record that information in the space 296 on the title described in division (B)(20) of section 4505.07 of 297 the Revised Code. The registrar, by rule, may prescribe any 298

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additional uses of or happenings to a motor vehicle that the	299
registrar has reason to believe should be noted on the certificate	300
of title as provided in this division.	301
As used in this division, "law enforcement agency" has the	302
same meaning as in section 109.573 of the Revised Code.	303
(D) The clerk shall use reasonable care in recording or	304
entering onto titles the clerk issues any notation and information	305
the clerk is required by divisions (B) and (C) of this section to	306
record or enter and in causing the titles the clerk issues to bear	307
any notation required by those divisions, but the clerk is not	308
liable for any of the clerk's errors or omissions or those of the	309
clerk's deputies, or the automated title processing system, in the	310
performance of the duties imposed on the clerk by this section.	311
(E) The clerk may issue a duplicate title, when duly applied	312
for, of any title that has been destroyed as herein provided.	313
(F) Except as provided in section 4505.021 of the Revised	314
Code, the clerk shall issue a physical certificate of title to an	315
applicant unless the applicant specifically requests the clerk not	316
to issue a physical certificate of title and instead to issue an	317
electronic certificate of title. The fact that a physical	318
certificate of title is not issued for a motor vehicle does not	319
affect ownership of the vehicle. In that case, when the clerk	320
completes the process of entering certificate of title application	321
information into the automated title processing system, the effect	322
of the completion of the process is the same as if the clerk	323
actually issued a physical certificate of title for the motor	324
vehicle.	325
(G) An electronic motor vehicle dealer who applies for a	326
certificate of title on behalf of a customer who purchases a motor	327
vehicle from the dealer may print a non-negotiable evidence of	328

ownership for the customer if the customer so requests. The

(j) A transfer between spouses or former spouses as a result

of a decree of divorce, dissolution of marriage, annulment, or	390
legal separation or as a result of a property settlement agreement	391
incidental to a decree of divorce, dissolution of marriage,	392
annulment, or legal separation;	393
(k) A transfer to or from the state, a political subdivision	394
of the state, or another governmental entity;	395
(1) A transfer that involves newly constructed residential	396
real property that previously has not been inhabited;	397
(m) A transfer to a transferee who has occupied the property	398
as a personal residence for one or more years immediately prior to	399
the transfer;	400
(n) A transfer from a transferor who both has not occupied	401
the property as a personal residence within one year immediately	402
prior to the transfer and has acquired the property through	403
inheritance or devise.	404
(C) Except as provided in division (B)(2) of this section and	405
subject to divisions (E) and (F) of this section, every person who	406
intends to transfer any residential real property on or after July	407
1, 1993, by sale, land installment contract, lease with option to	408
purchase, exchange, or lease for a term of ninety-nine years and	409
renewable forever shall complete all applicable items in a	410
property disclosure form prescribed under division (D) of this	411
section and shall deliver in accordance with division (I) of this	412
section a signed and dated copy of the completed form to each	413
prospective transferee or prospective transferee's agent as soon	414
as is practicable.	415
(D)(1) Prior to July 1, 1993, the director of commerce, by	416
rule adopted in accordance with Chapter 119. of the Revised Code,	417
shall prescribe the disclosure form to be completed by	418
transferors. The form prescribed by the director shall be designed	419
to permit the transferor to disclose material matters relating to	420

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the physical condition of the property to be transferred,	421
including, but not limited to, the source of water supply to the	422
property; the nature of the sewer system serving the property; the	423
condition of the structure of the property, including the roof,	424
foundation, walls, and floors; the presence of hazardous materials	425
or substances, including lead-based paint, asbestos,	426
urea-formaldehyde foam insulation, and radon gas; and any material	427
defects in the property that are within the actual knowledge of	428
the transferor	429

The form also shall set forth a statement of the purpose of 430 the form, including statements substantially similar to the 431 following: that the form constitutes a statement of the conditions 432 of the property and of information concerning the property 433 actually known by the transferor; that, unless the transferee is 434 otherwise advised in writing, the transferor, other than having 435 lived at or owning the property, possesses no greater knowledge 436 than that which could be obtained by a careful inspection of the 437 property by a potential transferee; that the statement is not a 438 warranty of any kind by the transferor or by any agent or subagent 439 representing the transferor in this transaction; that the 440 statement is not a substitute for any inspections; that the 441 transferee is encouraged to obtain the transferee's own 442 professional inspection; that the representations are made by the 443 transferor and are not the representations of the transferor's 444 agent or subagent; and that the form and the representations 445 contained therein are provided by the transferor exclusively to 446 potential transferees in a transfer made by the transferor, and 447 are not made to transferees in any subsequent transfers. 448

The form shall include instructions to the transferor for completing the form, space in which the transferor or transferors shall sign and date the form, and space in which the transferee or transferees shall sign and date the form acknowledging receipt of

(2) If an item of information is unknown to the transferor of

residential real property at the time the item is required to be	484
disclosed in the property disclosure form and if the approximation	485
is not used for the purpose of circumventing or otherwise evading	486
divisions (C) and (D) of this section, the transferor may make a	487
good faith approximation of the item of information.	488

- (F)(1) A transferor of residential real property is not

  liable in damages in a civil action for injury, death, or loss to

  person or property that allegedly arises from any error in,

  inaccuracy of, or omission of any item of information required to

  be disclosed in the property disclosure form if the error,

  inaccuracy, or omission was not within the transferor's actual

  knowledge.

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- (2) If any item of information that is disclosed in the 496 property disclosure form is rendered inaccurate after the delivery 497 of the form to the transferee of residential real property or the 498 transferee's agent as a result of any act, occurrence, or 499 agreement, the subsequent inaccuracy does not cause, and shall not 500 be construed as causing, the transferor of the residential real 501 property to be in noncompliance with the requirements of divisions 502 (C) and (D) of this section. 503
- (G) Any disclosure of an item of information in the property
  disclosure form prescribed under division (D) of this section may
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  be amended in writing by the transferor of residential real
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  property at any time following the delivery of the form in
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  accordance with divisions (C) and (I) of this section. The
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  amendment shall be subject to this section.
- (H) Except as provided in division (B)(2) of this section, 510 every prospective transferee of residential real property who 511 receives in accordance with division (C) of this section a signed 512 and dated copy of a completed property disclosure form as 513 prescribed under division (D) of this section shall acknowledge 514 receipt of the form by doing both of the following: 515

- (1) Signing and dating a copy of the form; 516
- (2) Delivering a signed and dated copy of the form to the 517 transferor or the transferor's agent or subagent. 518
- 519 (I) The transferor's delivery under division (C) of this section of a property disclosure form as prescribed under division 520 (D) of this section and the prospective transferee's delivery 521 under division (H) of this section of an acknowledgment of receipt 522 of that form shall be made by personal delivery to the other party 523 or the other party's agent or subagent, by ordinary mail or 524 certified mail, return receipt requested, or by facsimile 525 transmission. For the purposes of the delivery requirements of 526 this section, the delivery of a property disclosure form to a 527 prospective co-transferee of residential real property or a 528 prospective co-transferee's agent shall be considered delivery to 529 the other prospective transferees unless otherwise provided by 530 contract. 531
- (J) The specification of items of information that must be 532 disclosed in the property disclosure form as prescribed under 533 division divisions (D)(1) and (3) of this section does not limit 534 or abridge, and shall not be construed as limiting or abridging, 535 any obligation to disclose an item of information that is created 536 by any other provision of the Revised Code or the common law of 537 this state or that may exist in order to preclude fraud, either by 538 misrepresentation, concealment, or nondisclosure in a transaction 539 involving the transfer of residential real property. The 540 disclosure requirements of this section do not bar, and shall not 541 be construed as barring, the application of any legal or equitable 542 defense that a transferor of residential real property may assert 543 in a civil action commenced against the transferor by a 544 prospective or actual transferee of that property. 545
- (K)(1) Except as provided in division (K)(2) of this section, but subject to divisions (J) and (L) of this section, a transfer

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of residential real property that is subject to this section shall

not be invalidated because of the failure of the transferor to

provide to the transferee in accordance with division (C) of this

section a completed property disclosure form as prescribed under

division (D) of this section.

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- (2) Subject to division (K)(3)(c) of this section, if a 553 transferee of residential real property that is subject to this 554 section receives a property disclosure form or an amendment of 555 that form as described in division (G) of this section after the 556 transferee has entered into a transfer agreement with respect to 557 the property, the transferee, after receipt of the form or 558 amendment, may rescind the transfer agreement in a written, 559 signed, and dated document that is delivered to the transferor or 560 the transferor's agent or subagent in accordance with divisions 561 (K)(3)(a) and (b) of this section, without incurring any legal 562 liability to the transferor because of the rescission, including, 563 but not limited to, a civil action for specific performance of the 564 transfer agreement. Upon the rescission of the transfer agreement, 565 the transferee is entitled to the return of, and the transferor 566 shall return, any deposits made by the transferee in connection 567 with the proposed transfer of the residential real property. 568
- (3)(a) Subject to division (K)(3)(b) of this section, a 569 rescission of a transfer agreement under division (K)(2) of this 570 section only may occur if the transferee's written, signed, and 571 dated document of rescission is delivered to the transferor or the 572 transferor's agent or subagent within three business days 573 following the date on which the transferee or the transferee's 574 agent receives the property disclosure form prescribed under 575 division (D) of this section or the amendment of that form as 576 described in division (G) of this section. 577
- (b) A transferee may not rescind a transfer agreement under division (K)(2) of this section unless the transferee rescinds the

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transfer agreement by the earlier of the date that is thirty days
after the date upon which the transferor accepted the transferee's
transfer offer or the date of the closing of the transfer of the
residential real property.

- (c) A transferee of residential real property may waive the
   right of rescission of a transfer agreement described in division
   (K)(2) of this section.
- (d) A rescission of a transfer agreement is not permissible 587 under division (K)(2) of this section if a transferee of 588 residential real property that is subject to this section receives 589 a property disclosure form as prescribed under division (D) of 590 this section or an amendment of that form as described in division 591 (G) of this section prior to the transferee's submission to the 592 transferor or the transferor's agent or subagent of a transfer 593 offer and the transferee's entry into a transfer agreement with 594 respect to the property. 595
- (4) If a transferee of residential real property subject to 596 this section does not receive a property disclosure form from the 597 transferor after the transferee has submitted to the transferor or 598 the transferor's agent or subagent a transfer offer and has 599 entered into a transfer agreement with respect to the property, 600 the transferee may rescind the transfer agreement in a written, 601 signed, and dated document that is delivered to the transferor or 602 the transferor's agent or subagent in accordance with division 603 (K)(4) of this section without incurring any legal liability to 604 the transferor because of the rescission, including, but not 605 limited to, a civil action for specific performance of the 606 transfer agreement. Upon the rescission of the transfer agreement, 607 the transferee is entitled to the return of, and the transferor 608 shall return, any deposits made by the transferee in connection 609 with the proposed transfer of the residential real property. A 610 transferee may not rescind a transfer agreement under division 611

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(K)(4) of this section unless the transferee rescinds the transfer	612
agreement by the earlier of the date that is thirty days after the	613
date upon which the transferor accepted the transferee's transfer	614
offer or the date of the closing of the transfer of the	615
residential real property.	616
(L) The right of rescission of a transfer agreement described	617
in division $(K)(2)$ of this section or the absence of that right	618
does not affect, and shall not be construed as affecting, any	619
other legal causes of action or other remedies that a transferee	620
or prospective transferee of residential real property may possess	621
against the transferor of that property.	622
Section 2. That existing sections 2921.13, 4505.08, and	623
5302.30 of the Revised Code are hereby repealed.	624
Section 3. This act shall be known as the Methamphetamine	625
Awareness and Notification Act.	626