As Pending in the House Commerce and Labor Committee (L# 1679-1)

128th General Assembly Regular Session 2009-2010

Sub. H. B. No. 362

Representative Chandler

Cosponsors: Representatives Weddington, Williams, B., Yuko, Domenick, Newcomb

A BILL

То	amend sections 3781.10 and 5302.30 of the Revised	1
	Code to require fire extinguishers and carbon	2
	monoxide alarms in residential buildings, to	3
	direct the Board of Building Standards to adopt	4
	rules that establish product and installation	5
	standards for fire extinguishers and carbon	6
	monoxide alarms, to require transferors of	7
	residential real property to disclose whether fire	8
	extinguishers and carbon monoxide alarms are	9
	installed in their property, and to prohibit a	10
	transferor of residential real property from	11
	entering into a transfer agreement unless fire	12
	extinguishers and carbon monoxide alarms are	13
	installed as the bill requires.	14

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

	Section 1.	That sections 3781.10 and 5302.30 of the Revi	ised 15
Code	be amended	l to read as follows:	16
	Sec. 3781.3	10. (A)(1) The board of building standards sha	all 17

formulate and adopt rules governing the erection, construction, repair, alteration, and maintenance of all buildings or classes of buildings specified in section 3781.06 of the Revised Code, including land area incidental to those buildings, the construction of industrialized units, the installation of equipment, and the standards or requirements for materials used in connection with those buildings. The board shall incorporate those rules into separate residential and nonresidential building codes. The standards shall relate to the conservation of energy and the safety and sanitation of those buildings. Portable fire extinguishers and carbon monoxide alarms shall be installed within each residential building. The board shall adopt rules specifying the locations and product and installation standards for portable fire extinguishers and carbon monoxide alarms installed in accordance with this division.

- (2) The rules governing nonresidential buildings are the lawful minimum requirements specified for those buildings and industrialized units, except that no rule other than as provided in division (C) of section 3781.108 of the Revised Code that specifies a higher requirement than is imposed by any section of the Revised Code is enforceable. The rules governing residential buildings are uniform requirements for residential buildings in any area with a building department certified to enforce the state residential building code. In no case shall any local code or regulation differ from the state residential building code unless that code or regulation addresses subject matter not addressed by the state residential building code or is adopted pursuant to section 3781.01 of the Revised Code.
- (3) The rules adopted pursuant to this section are complete, lawful alternatives to any requirements specified for buildings or industrialized units in any section of the Revised Code. Except as otherwise provided in division (I) of this section, the board

shall, on its own motion or on application made under sections 50 3781.12 and 3781.13 of the Revised Code, formulate, propose, 51 adopt, modify, amend, or repeal the rules to the extent necessary 52 or desirable to effectuate the purposes of sections 3781.06 to 53 3781.18 of the Revised Code. 54

- (B) The board shall report to the general assembly proposals 55 for amendments to existing statutes relating to the purposes 56 declared in section 3781.06 of the Revised Code that public health 57 and safety and the development of the arts require and shall 58 recommend any additional legislation to assist in carrying out 59 fully, in statutory form, the purposes declared in that section. 60 The board shall prepare and submit to the general assembly a 61 summary report of the number, nature, and disposition of the 62 petitions filed under sections 3781.13 and 3781.14 of the Revised 63 Code. 64
- (C) On its own motion or on application made under sections 65 3781.12 and 3781.13 of the Revised Code, and after thorough 66 testing and evaluation, the board shall determine by rule that any 67 particular fixture, device, material, process of manufacture, 68 manufactured unit or component, method of manufacture, system, or 69 method of construction complies with performance standards adopted 70 pursuant to section 3781.11 of the Revised Code. The board shall 71 make its determination with regard to adaptability for safe and 72 sanitary erection, use, or construction, to that described in any 73 section of the Revised Code, wherever the use of a fixture, 74 device, material, method of manufacture, system, or method of 75 construction described in that section of the Revised Code is 76 permitted by law. The board shall amend or annul any rule or issue 77 an authorization for the use of a new material or manufactured 78 unit on any like application. No department, officer, board, or 79 commission of the state other than the board of building standards 80 or the board of building appeals shall permit the use of any 81

fixture, device, material, method of manufacture, newly designed 82 product, system, or method of construction at variance with what 83 is described in any rule the board of building standards adopts or 84 issues or that is authorized by any section of the Revised Code. 85 Nothing in this section shall be construed as requiring approval, 86 by rule, of plans for an industrialized unit that conforms with 87 the rules the board of building standards adopts pursuant to 88 section 3781.11 of the Revised Code. 89

- (D) The board shall recommend rules, codes, and standards to 90 help carry out the purposes of section 3781.06 of the Revised Code 91 and to help secure uniformity of state administrative rulings and 92 local legislation and administrative action to the bureau of 93 workers' compensation, the director of commerce, any other 94 department, officer, board, or commission of the state, and to 95 legislative authorities and building departments of counties, 96 townships, and municipal corporations, and shall recommend that 97 they audit those recommended rules, codes, and standards by any 98 appropriate action that they are allowed pursuant to law or the 99 constitution. 100
- (E)(1) The board shall certify municipal, township, and 101 county building departments and the personnel of those building 102 departments, and persons and employees of individuals, firms, or 103 corporations as described in division (E)(7) of this section to 104 exercise enforcement authority, to accept and approve plans and 105 specifications, and to make inspections, pursuant to sections 106 3781.03, 3791.04, and 4104.43 of the Revised Code.
- (2) The board shall certify departments, personnel, and

 persons to enforce the state residential building code, to enforce

 the nonresidential building code, or to enforce both the

 residential and the nonresidential building codes. Any department,

 personnel, or person may enforce only the type of building code

 for which certified.

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- (3) The board shall not require a building department, its 114 personnel, or any persons that it employs to be certified for 115 residential building code enforcement if that building department 116 does not enforce the state residential building code. The board 117 shall specify, in rules adopted pursuant to Chapter 119. of the 118 Revised Code, the requirements for certification for residential 119 and nonresidential building code enforcement, which shall be 120 consistent with this division. The requirements for residential 121 and nonresidential certification may differ. Except as otherwise 122 provided in this division, the requirements shall include, but are 123 not limited to, the satisfactory completion of an initial 124 examination and, to remain certified, the completion of a 125 specified number of hours of continuing building code education 126 within each three-year period following the date of certification 127 which shall be not less than thirty hours. The rules shall provide 128 that continuing education credits and certification issued by the 129 council of American building officials, national model code 130 organizations, and agencies or entities the board recognizes are 131 acceptable for purposes of this division. The rules shall specify 132 requirements that are compatible, to the extent possible, with 133 requirements the council of American building officials and 134 national model code organizations establish. 135
- (4) The board shall establish and collect a certification and renewal fee for building department personnel, and persons and 137 employees of persons, firms, or corporations as described in this 138 section, who are certified pursuant to this division. 139
- (5) Any individual certified pursuant to this division shall 140 complete the number of hours of continuing building code education 141 that the board requires or, for failure to do so, forfeit 142 certification.
- (6) This division does not require or authorize the board to certify personnel of municipal, township, and county building

- (c) Officers or employees of, and persons under contract 162 with, a municipal corporation, township, county, health district, 163 or other political subdivision, pursuant to a contract to furnish 164 architectural, engineering, or other services. 165
- (8) Municipal, township, and county building departments have 166 jurisdiction within the meaning of sections 3781.03, 3791.04, and 167 4104.43 of the Revised Code, only with respect to the types of buildings and subject matters for which they are certified under 169 this section.
- (9) Certification shall be granted upon application by the 171 municipal corporation, the board of township trustees, or the 172 board of county commissioners and approval of that application by 173 the board of building standards. The application shall set forth: 174
- (a) Whether the certification is requested for residential or 175 nonresidential buildings, or both; 176

building codes, on petition to the board by any person affected by
that enforcement or approval of plans, or by the board on its own
motion. Hearings shall be held and appeals permitted on any
proceedings for certification or revocation or suspension of
certification in the same manner as provided in section 3781.101
of the Revised Code for other proceedings of the board of building
standards.

- (12) Upon certification, and until that authority is revoked,
 any county or township building department shall enforce the
 residential and nonresidential building codes for which it is
 certified without regard to limitation upon the authority of
 boards of county commissioners under Chapter 307. of the Revised
 Code or boards of township trustees under Chapter 505. of the
 Revised Code.
- (F) In addition to hearings sections 3781.06 to 3781.18 and 222 3791.04 of the Revised Code require, the board of building 223 standards shall make investigations and tests, and require from 224 other state departments, officers, boards, and commissions 225 information the board considers necessary or desirable to assist 226 it in the discharge of any duty or the exercise of any power 227 mentioned in this section or in sections 3781.06 to 3781.18, 228 3791.04, and 4104.43 of the Revised Code. 229
- (G) The board shall adopt rules and establish reasonable fees 230 for the review of all applications submitted where the applicant 231 applies for authority to use a new material, assembly, or product 232 of a manufacturing process. The fee shall bear some reasonable 233 relationship to the cost of the review or testing of the 234 materials, assembly, or products and for the notification of 235 approval or disapproval as provided in section 3781.12 of the 236 Revised Code. 237
- (H) The residential construction advisory committee shall 238 provide the board with a proposal for a state residential building 239

meanings as in section 2744.01 of the Revised Code.	270
(4) "Residential real property" means real property that is	271
improved by a building or other structure that has one to four	272
dwelling units.	273
(B)(1) Except as provided in division (B)(2) of this section,	274
this section applies to any transfer of residential real property	275
that occurs on or after July 1, 1993, by sale, land installment	276
contract, lease with option to purchase, exchange, or lease for a	277
term of ninety-nine years and renewable forever. For purposes of	278
this section, a transfer occurs when the initial contract for	279
transfer is executed, regardless of when legal title is	280
transferred, and references in this section to transfer offers and	281
transfer agreements refer to offers and agreements in respect of	282
the initial contract for transfer.	283
(2) This section does not apply to any transfer of	284
residential real property that is any of the following:	285
(a) A transfer pursuant to court order, including, but not	286
limited to, a transfer ordered by a probate court during the	287
administration of a decedent's estate, a transfer pursuant to a	288
writ of execution, a transfer by a trustee in bankruptcy, a	289
transfer as a result of the exercise of the power of eminent	290
domain, and a transfer that results from a decree for specific	291
performance of a contract or other agreement between persons;	292
(b) A transfer to a mortgagee by a mortgagor by deed in lieu	293
of foreclosure or in satisfaction of the mortgage debt;	294
(c) A transfer to a beneficiary of a deed of trust by a	295
trustor in default;	296
(d) A transfer by a foreclosure sale that follows a default	297
in the satisfaction of an obligation secured by a mortgage;	298

(e) A transfer by a sale under a power of sale following a

default in the satisfaction of an obligation that is secured by a	300
deed of trust or another instrument containing a power of sale;	301
(f) A transfer by a mortgagee, or a beneficiary under a deed	302
of trust, who has acquired the residential real property at a sale	303
conducted pursuant to a power of sale under a mortgage or a deed	304
of trust or who has acquired the residential real property by a	305
deed in lieu of foreclosure;	306
(g) A transfer by a fiduciary in the course of the	307
administration of a decedent's estate, a guardianship, a	308
conservatorship, or a trust;	309
(h) A transfer from one co-owner to one or more other	310
co-owners;	311
(i) A transfer made to the transferor's spouse or to one or	312
more persons in the lineal line of consanguinity of one or more of	313
the transferors;	314
(j) A transfer between spouses or former spouses as a result	315
of a decree of divorce, dissolution of marriage, annulment, or	316
legal separation or as a result of a property settlement agreement	317
incidental to a decree of divorce, dissolution of marriage,	318
annulment, or legal separation;	319
(k) A transfer to or from the state, a political subdivision	320
of the state, or another governmental entity;	321
(1) A transfer that involves newly constructed residential	322
real property that previously has not been inhabited;	323
(m) A transfer to a transferee who has occupied the property	324
as a personal residence for one or more years immediately prior to	325
the transfer;	326
(n) A transfer from a transferor who both has not occupied	327
the property as a personal residence within one year immediately	328
prior to the transfer and has acquired the property through	329

inheritance or devise.

(C) Except as provided in division (B)(2) of this section and 331 subject to divisions (E) and (F) of this section, every person who 332 intends to transfer any residential real property on or after July 333 1, 1993, by sale, land installment contract, lease with option to 334 purchase, exchange, or lease for a term of ninety-nine years and 335 renewable forever shall complete all applicable items in a 336 property disclosure form prescribed under division (D) of this 337 section and shall deliver in accordance with division (I) of this 338 section a signed and dated copy of the completed form to each 339 prospective transferee or prospective transferee's agent as soon 340 as is practicable. 341

(D)(1) Prior to July 1, 1993, the The director of commerce, 342 by rule adopted in accordance with Chapter 119. of the Revised 343 Code, shall prescribe the disclosure form to be completed by 344 transferors. The form prescribed by the director shall be designed 345 to permit the transferor to disclose material matters relating to 346 the physical condition of the property to be transferred, 347 including, but not limited to, the source of water supply to the 348 property; the nature of the sewer system serving the property; the 349 condition of the structure of the property, including the roof, 350 foundation, walls, and floors; the presence of hazardous materials 351 or substances, including lead-based paint, asbestos, 352 urea-formaldehyde foam insulation, and radon gas; whether the 353 property contains fire extinguishers and carbon monoxide alarms 354 that comply with the standards the director prescribes pursuant to 355 division (M)(2) of this section; and any material defects in the 356 property that are within the actual knowledge of the transferor. 357

The form also shall set forth a statement of the purpose of
the form, including statements substantially similar to the
following: that the form constitutes a statement of the conditions
of the property and of information concerning the property

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actually known by the transferor; that, unless the transferee is 362 otherwise advised in writing, the transferor, other than having 363 lived at or owning the property, possesses no greater knowledge 364 than that which could be obtained by a careful inspection of the 365 property by a potential transferee; that the statement is not a 366 warranty of any kind by the transferor or by any agent or subagent 367 representing the transferor in this transaction; that the 368 statement is not a substitute for any inspections; that the 369 transferee is encouraged to obtain the transferee's own 370 professional inspection; that the representations are made by the 371 transferor and are not the representations of the transferor's 372 agent or subagent; and that the form and the representations 373 contained therein are provided by the transferor exclusively to 374 potential transferees in a transfer made by the transferor, and 375 are not made to transferees in any subsequent transfers. 376

The form shall include instructions to the transferor for

completing the form, space in which the transferor or transferors

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shall sign and date the form, and space in which the transferee or

transferees shall sign and date the form acknowledging receipt of

a copy of the form and stating that the transferee or transferees

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understand the purpose of the form as stated thereon.

(2) Not later than January 1, 2006, the director shall revise

the The disclosure form to shall include a statement that

information on the operation and maintenance of the type of sewage

treatment system serving the property is available from the

department of health or the board of health of the health district

in which the property is located.

As used in this section, "sewage treatment system" has the same meaning as in section 3718.01 of the Revised Code.

(E)(1) Each disclosure of an item of information that is 391 required to be made in the property disclosure form prescribed 392 under division (D) of this section in connection with particular 393

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residential real property and each act that may be performed in making any disclosure of an item of information shall be made or performed in good faith.

- (2) If an item of information is unknown to the transferor of
 residential real property at the time the item is required to be
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 disclosed in the property disclosure form and if the approximation
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 is not used for the purpose of circumventing or otherwise evading
 divisions (C) and (D) of this section, the transferor may make a

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 good faith approximation of the item of information.
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- (F)(1) A transferor of residential real property is not 403 liable in damages in a civil action for injury, death, or loss to 404 person or property that allegedly arises from any error in, 405 inaccuracy of, or omission of any item of information required to 406 be disclosed in the property disclosure form if the error, 407 inaccuracy, or omission was not within the transferor's actual 408 knowledge.
- (2) If any item of information that is disclosed in the 410 property disclosure form is rendered inaccurate after the delivery 411 of the form to the transferee of residential real property or the 412 transferee's agent as a result of any act, occurrence, or 413 agreement, the subsequent inaccuracy does not cause, and shall not 414 be construed as causing, the transferor of the residential real 415 property to be in noncompliance with the requirements of divisions 416 (C) and (D) of this section. 417
- (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,

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every prospective transferee of residential real property who	425
receives in accordance with division (C) of this section a signed	426
and dated copy of a completed property disclosure form as	427
prescribed under division (D) of this section shall acknowledge	428
receipt of the form by doing both of the following:	429
(1) Signing and dating a copy of the form;	430
(2) Delivering a signed and dated copy of the form to the	431
transferor or the transferor's agent or subagent.	432
(I) The transferor's delivery under division (C) of this	433
section of a property disclosure form as prescribed under division	434
(D) of this section and the prospective transferee's delivery	435
under division (H) of this section of an acknowledgment of receipt	436
of that form shall be made by personal delivery to the other party	437
or the other party's agent or subagent, by ordinary mail or	438
certified mail, return receipt requested, or by facsimile	439
transmission. For the purposes of the delivery requirements of	440
this section, the delivery of a property disclosure form to a	441
prospective co-transferee of residential real property or a	442
prospective co-transferee's agent shall be considered delivery to	443
the other prospective transferees unless otherwise provided by	444
contract.	445
(J) The specification of items of information that must be	446
disclosed in the property disclosure form as prescribed under	447
division (D)(1) of this section does not limit or abridge, and	448
shall not be construed as limiting or abridging, any obligation to	449
disclose an item of information that is created by any other	450
provision of the Revised Code or the common law of this state or	451
that may exist in order to preclude fraud, either by	452
misrepresentation, concealment, or nondisclosure in a transaction	453
involving the transfer of residential real property. The	454

disclosure requirements of this section do not bar, and shall not

be construed as barring, the application of any legal or equitable

defense that a transferor of residential real property may assert 457 in a civil action commenced against the transferor by a 458 prospective or actual transferee of that property. 459

- (K)(1) Except as provided in division (K)(2) of this section, 460 but subject to divisions (J) and (L) of this section, a transfer 461 of residential real property that is subject to this section shall 462 not be invalidated because of the failure of the transferor to 463 provide to the transferee in accordance with division (C) of this 464 section a completed property disclosure form as prescribed under 465 division (D) of this section.
- (2) Subject to division (K)(3)(c) of this section, if a 467 transferee of residential real property that is subject to this 468 section receives a property disclosure form or an amendment of 469 that form as described in division (G) of this section after the 470 transferee has entered into a transfer agreement with respect to 471 the property, the transferee, after receipt of the form or 472 amendment, may rescind the transfer agreement in a written, 473 signed, and dated document that is delivered to the transferor or 474 the transferor's agent or subagent in accordance with divisions 475 (K)(3)(a) and (b) of this section, without incurring any legal 476 liability to the transferor because of the rescission, including, 477 but not limited to, a civil action for specific performance of the 478 transfer agreement. Upon the rescission of the transfer agreement, 479 the transferee is entitled to the return of, and the transferor 480 shall return, any deposits made by the transferee in connection 481 with the proposed transfer of the residential real property. 482
- (3)(a) Subject to division (K)(3)(b) of this section, a 483 rescission of a transfer agreement under division (K)(2) of this 484 section only may occur if the transferee's written, signed, and 485 dated document of rescission is delivered to the transferor or the 486 transferor's agent or subagent within three business days 487 following the date on which the transferee or the transferee's 488

agent receives the property disclosure form prescribed under

division (D) of this section or the amendment of that form as

described in division (G) of this section.

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- (b) A transferee may not rescind a transfer agreement under

 division (K)(2) of this section unless the transferee rescinds the

 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.

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- (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 501 under division (K)(2) of this section if a transferee of 502 residential real property that is subject to this section receives 503 a property disclosure form as prescribed under division (D) of 504 this section or an amendment of that form as described in division 505 (G) of this section prior to the transferee's submission to the 506 transferor or the transferor's agent or subagent of a transfer 507 offer and the transferee's entry into a transfer agreement with 508 respect to the property. 509
- (4) If a transferee of residential real property subject to 510 this section does not receive a property disclosure form from the 511 transferor after the transferee has submitted to the transferor or 512 the transferor's agent or subagent a transfer offer and has 513 entered into a transfer agreement with respect to the property, 514 the transferee may rescind the transfer agreement in a written, 515 signed, and dated document that is delivered to the transferor or 516 the transferor's agent or subagent in accordance with division 517 (K)(4) of this section without incurring any legal liability to 518 the transferor because of the rescission, including, but not 519 limited to, a civil action for specific performance of the 520

the Revised Code.

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transfer agreement. Upon the rescission of the transfer agreement,	521
the transferee is entitled to the return of, and the transferor	522
shall return, any deposits made by the transferee in connection	523
with the proposed transfer of the residential real property. A	524
transferee may not rescind a transfer agreement under division	525
(K)(4) of this section unless the transferee rescinds the transfer	526
agreement by the earlier of the date that is thirty days after the	527
date upon which the transferor accepted the transferee's transfer	528
offer or the date of the closing of the transfer of the	529
residential real property.	530
(L) The right of rescission of a transfer agreement described	531
in division (K)(2) of this section or the absence of that right	532
does not affect, and shall not be construed as affecting, any	533
other legal causes of action or other remedies that a transferee	534
or prospective transferee of residential real property may possess	535
against the transferor of that property.	536
(M)(1) No transferor shall enter into an agreement to	537
transfer residential real property unless that property has	538
installed and operative fire extinguishers and carbon monoxide	539
alarms that comply with the standards the director of commerce	540
establishes pursuant to division (M)(2) of this section. A	541
transferee may rescind a transfer agreement pursuant to the	542
procedures described in division (K)(3)(a) of this section if the	543
transferee receives a form that indicates that the property does	544
not contain functioning fire extinguishers and carbon monoxide	545
alarms required under this division.	546
(2) The director shall prescribe product and installation	547
standards for fire extinguishers and carbon monoxide alarms that	548
are consistent with the standards the board of building standards	549
adopts by rule pursuant to division (A)(1) of section 3781.10 of	550

Sub. H. B. No. 362 As Pending in the House Commerce and Labor Committee (L# 1679-1)	
As I chang in the House commerce and Easer committee (Em 1979-1)	
Section 2. That existing sections 3781.10 and 5302.30 of the	552
Revised Code are hereby repealed.	553
Section 3. One hundred eighty days after the board of	554
building standards adopts the rules establishing the requirements	555
for fire extinguishers and carbon monoxide alarms pursuant to	556
division (A)(1) of section 3781.10 of the Revised Code, as amended	557
by this act, all residential buildings shall have installed and in	558
operation fire extinguishers and carbon monoxide alarms that	559
satisfy the standards the board establishes. As used in this	560
section, "residential building" has the same meaning as in section	561
3781.06 of the Revised Code.	562