



Ohio Legislative Service Commission

Bill Analysis

Alyssa Bethel

S.B. 325

130th General Assembly
(As Introduced)

Sens. Brown, Smith, Seitz

BILL SUMMARY

- Requires a municipal corporation or county to certify, before a county auditor places a lien for unpaid water charges against a property, that the property (1) has not been sold or (2) has been sold and neither party to the sale requested or paid a final bill.

CONTENT AND OPERATION

Certification and placement on tax list of unpaid water charges

The bill requires a county or municipal corporation to certify certain additional facts to a county auditor before the auditor places a lien for unpaid county or municipal water service charges against a property. Under continuing law, if a property owner to whom a county or city supplies water fails to pay assessed water charges when due, a board of county commissioners or a city's director of public service may certify to a county auditor the unpaid charges. After a board of county commissioners certifies unpaid charges arising from county water services, the county auditor must place the certified amount of unpaid charges on the real property tax list and duplicate against the property, creating a lien. After a city's director of public safety certifies unpaid charges arising from city water services, the county auditor must place a lien on the property only if the director also certifies to the auditor that the unpaid charges arose under a service contract made directly with an owner who occupies the property. In addition to these certifications, the bill requires that, to place a lien on the property, a board or director also must certify to the auditor that the property either (1) has not been sold to a new owner since the date the unpaid charges became due, or (2) has been sold since the date the unpaid charges became due and neither party to the most recent

sale made a timely request for a final bill¹ or paid the outstanding charges on the final bill.² In effect, the bill prohibits a county or city from placing a lien for unpaid water charges against a property that is sold after the unpaid water charges became due if the seller or buyer requested or paid the final bill.

Continuing law allows a municipal corporation to collect unpaid water charges by actions in law, in the name of the city, from the owner, tenant, or other person who is liable to pay the charges.³

COMMENT

After the introduction of this bill, § 743.04 of the Revised Code was amended by Sub. S.B. 172 of the 130th General Assembly. Effective September 4, 2014, a municipal corporation may not certify to a county auditor unpaid water charges, and a county auditor may not place against a property a lien for the unpaid charges, if: (1) the property has been transferred or sold to a subdivision that has created a land reutilization (land bank) program and the unpaid charges arose before the sale or transfer, (2) the property has been sold at a sheriff's sale or auditor's sale to a purchaser with whom the previous owner has no relation and the unpaid charges arose before the sale, or (3) the property has been forfeited to the state for delinquent taxes unless the owner of record redeems the property.

HISTORY

ACTION	DATE
Introduced	04-07-14

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¹ When property to which city water service is provided is about to be sold, either party to the sale may request the director to read the meter at the property and to render a final bill for all outstanding charges for water service. R.C. 743.04(B).

² R.C. 743.04(A).

³ R.C. 743.04(B).

