

Fiscal Note & Local Impact Statement

127th General Assembly of Ohio

Ohio Legislative Service Commission
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BILL: **S.B. 283** DATE: **May 6, 2008**
STATUS: **As Introduced** SPONSOR: **Sen. Roberts**
LOCAL IMPACT STATEMENT REQUIRED: **No — Permissive**
CONTENTS: **To authorize municipal corporations to recoup certain unpaid hazard or nuisance abatement costs by attaching a lien against a property owner's primary residence**

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2008	FY 2009	FUTURE YEARS
Counties—Auditors and Recorders			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Potential increase	Potential increase	Potential increase
Municipalities			
Revenues	Potential gain equaling or offsetting the amount of nuisance abatement expenses	Potential gain equaling or offsetting the amount of nuisance abatement expenses	Potential gain equaling or offsetting the amount of nuisance abatement expenses
Expenditures	- 0 -	- 0 -	- 0 -

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- The bill permits municipal corporations to recoup the cost of abating a nuisance property by reporting any unpaid amount to the county auditor where the owner's primary residence is located. In turn, the county auditor would record this amount as a lien against the property owner's residence. This new authority would potentially allow municipalities to recoup hazard and nuisance abatement expenses more quickly.
- The bill contains some additional record-keeping requirements that might minimally increase administrative costs for county auditors and recorders.



Detailed Fiscal Analysis

Alternative method for recouping nuisance abatement costs

Under current law, there are two ways that a municipality can recoup the costs of abating nuisance properties. The first method allows municipalities to add any unpaid costs as a charge against the property on the tax list. Once on the tax list, the costs constitute a lien against the property, and are to be collected as property taxes are collected. To have the costs placed on the tax list, the clerk of the municipal corporation's legislative authority certifies the costs to the county auditor. The second method is for municipalities to initiate a civil action against the property owner for collection of these charges.

Under the new authority in the bill, municipalities would be able to collect unpaid amounts by allowing these costs to become a lien against the nuisance property owner's primary residence. The general effect would be that municipalities could potentially recover their nuisance and hazard abatement costs more quickly. Another result is that municipalities might undertake abatement projects that they might otherwise have not.

For example, an individual living in the city of Delaware could own a nuisance property in the city of Columbus. After Columbus has abated the property, notified the property owner, and complied with the required 30-day notice period, the city would be able to certify the unpaid abatement costs to the Delaware County Auditor. After notification by certified mail, the charges become a lien on the property in Delaware County. Once the Delaware County Auditor collects the unpaid amounts, that office must remit the amount collected to Columbus.

Property interest filing requirements

The bill contains record-keeping provisions that might add some minimal new administrative costs for county auditors and county recorders. It does so by requiring owners of real property and other persons with recorded interests in real property to file and maintain their names and addresses with the county auditor. The purpose of the filing is to compile a record enabling any notices "related to the ownership, taxation, condition, or use" of the property to be mailed to the person. The requirement applies to any person with an interest in real property "by deed, mortgage, plat, or other instrument of writing" recorded with the county recorder. The filing must be made on a form to be provided by the county auditor. The county recorder is required to maintain a list of the names and addresses filed with the county auditor, together with a cross-reference between the property and the corresponding name and address. The bill does not specifically indicate that any filing fees are associated with these filings, leading to the potential for minimal new administrative costs.

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