



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: H.B. 9 of the 128th G.A.

Date: March 5, 2009

Status: As Introduced

Sponsor: Reps. Celeste and Foley

Local Impact Statement Procedure Required: No — Minimal cost

Contents: Requires tenant notification of foreclosure actions on and related sales of residential rental properties and specifies that rental agreements for such properties convert to a month-to-month basis

State Fiscal Highlights

- No direct fiscal effect on the state

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2010	FY 2011	FUTURE YEARS
Municipal and County Courts			
Revenues	Potential gain	Potential gain	Potential gain
Expenditures	Potential increase	Potential increase	Potential increase

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

- As a result of a right of action for tenants created by the bill, there may be additional cases filed with municipal or county courts. Presumably, court cost fees revenue would offset some or all of any new costs created by the additional cases, making any new costs likely no more than minimal.

Detailed Fiscal Analysis

The bill requires any landlord of a residential property subject to a foreclosure action to provide each tenant at the property with a written notice of the foreclosure action in a specified form. Similarly, the bill also requires any such landlord to provide each tenant at the property with written notice of the date, time, and place of the sale of the foreclosed property at least 21 days before the date of the sale at auction.

If the landlord does not provide these notices or fails to honor a month-to-month rental agreement once a property is sold at auction, which the bill also requires, the bill permits a tenant to file a civil action to recover the greater of actual damages or one month's rent plus the security deposit amount and reasonable attorney's fees, obtain injunctive relief, or both.

As a result of the right of action created by the bill, there may be additional cases filed with municipal or county courts. Presumably, court cost fees would offset some or all of any new costs created by the additional cases, making any new costs likely no more than minimal.