

Ohio Legislative Service Commission

Wendy Risner

Fiscal Note & Local Impact Statement

Bill: Am. H.B. 64 of the 128th G.A. **Date**: June 5, 2009

Status: As Passed by the House **Sponsor**: Rep. Pillich

Local Impact Statement Procedure Required: No — Minimal cost

Contents: To enable members of the armed services and the Ohio National Guard to terminate a rental

agreement when the member receives military orders to deploy or for a permanent change of

station

State Fiscal Highlights

• No direct fiscal effect on the state.

Local Fiscal Highlights

No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill permits a service member to terminate a rental agreement at any time after they receive military orders that require them to do either of the following: (1) relocate due to a permanent change of station, and (2) deploy on active duty with a military unit, or as a person in support of a military operation, for a period of 90 or more days. The bill outlines the landlord and tenant responsibilities. The bill deems early terminations of a rental agreement, under the bill, to be a termination pursuant to the terms of the rental agreement. Thus, the early termination may not be used as a basis for withholding a security deposit or other amounts due. The bill does allow the landlord to withhold amounts due to damages. Additionally, a tenant is allowed to recover damages and reasonable attorney's fees for a landlord's violation of the bill's provisions. The tenant would file in the court of common pleas.

The federal Servicemembers Civil Relief Act of 2003 (SCRA), allows service members to terminate rental leases if the lease was signed before the member entered military service or the member signs the lease while in active duty then later receives military orders for a permanent change of station or deployment for a period of 90 days or more. As a result of this federal act, the bill should have no fiscal effect. However, if there are any situations that would be covered under the bill, but not under the federal act, county courts of common pleas could realize a minimal increase in court costs. However, these court costs could be partially, or fully, offset by filing fees. Additionally, if any service member leased a residential unit from municipal housing authorities, it is possible that these authorities could realize a negligible increase in administrative costs.

HB0064HP.docx / sle