



Ohio Legislative Service Commission

Brian Hoffmeister

Fiscal Note & Local Impact Statement

Bill: [H.B. 408 of the 128th G.A.](#)

Date: March 16, 2010

Status: As Introduced

Sponsor: Reps. Yuko and B. Williams

Local Impact Statement Procedure Required: No — No local cost

Contents: Provides that a portion of a condominium assessment is prior to other liens on condominium units

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

Under current law, a condominium owners association has a lien against certain legal interests of a condominium owner for the payment of unpaid condominium fees and certain other costs. Additionally, current law specifies that such a lien is prior to any other lien or encumbrance that subsequently arises, with the exception of liens for (1) real estate taxes and political subdivision assessments and (2) liens of recorded first mortgages. The bill adds that the lien is a continuing lien and is subject to automatic subsequent adjustments to reflect any additional unpaid amounts. The bill also adds that the lien, subject to a cap on the amount, is prior to any previously existing lien except for liens for real estate taxes and political subdivision assessments. The amount of such a priority lien is the lesser of (1) the amount of the delinquency or (2) six months of common expense assessments based on the condominium association's budget for the year in which the lien foreclosure action is commenced plus certain additional costs.

As the bill applies only to condominium associations and does not affect the priority of liens imposed for taxes or local government assessments, the bill has no fiscal effect on the state or local governments.