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Substitute Bill Comparative Synopsis

Sub. H.B. 237

134th General Assembly

House State and Local Government

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This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Previous Version (As Re-referred by H. Rules and Reference)	Latest Version (I_134_1101-19)
Date of implementation (R.C. 317.13)	
Requires e-recording and electronic records to be available not later than January 1, 2024.	Changes this date to January 1, 2025.
Appropriation	
Section 3	Section 4
Appropriates \$10 million to Department of Development for grants to counties to implement the bill's e-recording and electronic records requirements.	Decreases this to \$8 million, appropriates the funds to the Office of the Treasurer, and requires the funds to be deposited in a county recorder's technology fund to the extent costs are incurred.

Previous Version (As Re-referred by H. Rules and Reference)	Latest Version (I_134_1101-19)
Document preservation surcharge and the Housing Trust Fund (R.C. 317.32 and 317.36)	
Charges a \$5 document preservation surcharge for recordings, with all \$5 going to the county's general fund.	Charges a \$10 document preservation surcharge for recordings, with \$5 going to the county general fund and \$5 going to the Housing Trust Fund, thereby restoring the As Introduced language.
Reserve funds for imaging technology (R.C. 317.321)	
	<p>Extends the duration of requests approved before October 17, 2019 to January 1, 2030 (instead of January 1, 2025, as under current law).</p> <p>Extends the period during which a county recorder already receiving funds may submit a second proposal for additional funds to October 1, 2028 (instead of October 1, 2023, as under current law).</p>
Power of attorney (R.C. 1337.04)	
No provision.	<p>Allows the late filing of a power of attorney (POA) to be curative only if the POA was executed and acknowledged before the real property instrument was executed.</p> <p>Requires the recorder to index the supporting affidavit in the official records by the name of the current record owner.</p> <p>Specifies the bill does not affect the rights of a bona fide purchaser who did not have actual knowledge or constructive notice of the POA, the curative POA, or the real property instrument executed by virtue of the POA.</p> <p>Specifies the bill does not change the precedent regarding constructive notice or chain of title analysis set forth in three specific cases that hold a purchaser does not have constructive notice of an interest recorded outside the purchaser's chain of title.</p>

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Residential rental property owner's agent (R.C. 5323.02)	
No provision.	Allows the agent of a residential rental property owner, in lieu of the owner, to file contact information with a county auditor as required under continuing law.
Judgment lien (R.C. 2329.02)	
No provision.	<p>In order for a court's judgment to serve as a lien on land, requires the judgment certificate to set forth the last known address of each judgment debtor.</p> <p>Allows the certificate to reference the journal entry of the judgment by index number rather than by volume and page.</p>
Mortgage subrogation (R.C. 5301.234)	
No provision.	<p>Allows a mortgage granted to secure repayment of funds used to satisfy a previous mortgage to be subrogated to the priority of (have the same priority as) the previous mortgage to the extent satisfied if both of the following apply:</p> <ul style="list-style-type: none"> ▪ The parties to the new mortgage intended the new mortgage to have the priority of the mortgage that was satisfied. ▪ The holder of another subordinate mortgage or lien expected to be subordinate to the mortgage that was satisfied at the time the holder received its interest.

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	<p>Prohibits a mortgagee (lender) seeking subrogation from being denied subrogation for any of the following reasons:</p> <ul style="list-style-type: none"> ▪ The mortgagee is engaged in the business of lending. ▪ The mortgagee had actual knowledge or constructive notice of the mortgage or lien over which the mortgagee would gain priority. ▪ The mortgagee or a third party committed a mistake or was negligent. ▪ The lien for which the mortgagee seeks to be subrogated was released. ▪ The mortgagee obtained a title insurance policy. <p>Provides that the holder of a subordinate mortgage or lien retains the same subordinate position had the previous mortgage or lien not been satisfied.</p>
State stock bank (R.C. 1113.13)	
No provision.	Expands the list of reasons a stock state bank can amend its articles of incorporation to include reasons permitted under Ohio Corporation Law.
Law enforcement towing (R.C. 4513.61)	
No provision.	<p>Expands the type of law enforcement agencies that may tow and take title to a vehicle, after certain conditions are met, to include the chief of police of both of the following:</p> <ol style="list-style-type: none"> 1. A university campus police department; and 2. A park district police force.

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	Clarifies that a sheriff or chief of police, after a motor vehicle is towed by law enforcement, must send notice of the tow to the owner and any lienholder of the motor vehicle. (Current law implies that notice may be sent to either the owner or the lienholder, rather than both.)
The Uniform Depository Act (Chapter 135, R.C. 3737.945. and Section 7)	
No provision.	<p>Makes various changes to the Uniform Depository Act, including the following:</p> <ul style="list-style-type: none"> ▪ Modifies the Treasurer of State’s authority to invest inactive or interim deposits in the state treasury (i.e., public funds not needed to meet current demands), as well as corresponding reporting requirements; ▪ Modifies eligibility of financial institutions that may hold warrant clearance accounts with active deposits (i.e., public funds needed to meet current demands), as well as corresponding reporting requirements; ▪ Extends, from 30 days to 120 days before the State Board of Deposit (“Board”) designates public depositories, the deadline for a financial institution to apply to be a public depository; ▪ Requires, beginning in 2025, the Board to designate public depositories every four years, rather than every two years as under current law, and makes the designations made in 2022 continue for three years, rather than two; ▪ Requires the Board to meet to award new custodial funds and to consider requests by state agencies to change public depositories; ▪ Repeals, as part of the process of a political subdivision designating public depositories, the Board’s newspaper

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	<p>publication requirement, but not the subdivision's newspaper publication requirement;</p> <ul style="list-style-type: none"> ▪ Excludes moneys of metropolitan housing authorities from the Ohio Pooled Collateral Program; ▪ Authorizes the Petroleum Underground Storage Tank Release Compensation Board to allow the Treasurer to invest surplus funds pursuant to the Uniform Depository Act.
Authority of the Treasurer of State (Chapter 113, R.C. 131.01, 135.47, and 3366.05)	
No provision.	<p>Makes various changes related to the authority of the Treasurer, including the following:</p> <ul style="list-style-type: none"> ▪ Specifies that custodial funds do not include items held in safekeeping by the Treasurer; ▪ Repeals a provision authorizing contracts with financial institutions for the collection of taxes and fees at a P.O. box; ▪ Requires the reporting of fund balances and paid warrants by electronic means and on a daily basis, rather than on request or on a monthly basis, respectively; ▪ Creates the Treasurer's Information Technology Reserve Fund for the provision of hardware, software, and services for the Treasurer's Office; ▪ Requires requests for bids for contracts with financial institutions relating to financial transaction devices to be published on a publicly-available state agency website for two consecutive weeks, instead of in a newspaper as under current law;

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	<ul style="list-style-type: none">▪ Authorizes the Board to contract with nonwinning bidders or other financial institutions relating to financial transaction devices if such contracts are in the best interest of the state;▪ Expands the Treasurer’s rulemaking authority regarding the Pay for Success Contracting Program;▪ Specifies a meaning for the term “stored value card”;▪ Makes various nonsubstantive changes.
Social Security (Chapter 144)	
No provision.	Repeals the ability for certain county-related corporations or cities to opt into Social Security and the Treasurer’s involvement in the payment of contributions to the U.S. Treasury.