

AN ACT

To amend sections 120.54, 4722.01, 5709.56, and 5715.27 and to enact sections 2953.26 and 2961.25 of the Revised Code to create a mechanism by which an individual who is subject to a collateral sanction for housing may obtain a certificate of qualification for housing that may provide relief from certain bars on housing, to extend the Home Construction Service Suppliers Act to repairs, improvements, remodels, or renovations of existing structures, and to modify the application procedure for the residential development property tax exemption.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 120.54, 4722.01, 5709.56, and 5715.27 be amended and sections 2953.26 and 2961.25 of the Revised Code be enacted to read as follows:

Sec. 120.54. (A) A legal aid society that receives financial assistance from the legal aid fund under section 120.53 of the Revised Code shall use the financial assistance for only the following purposes:

(1) To defray the costs of providing legal services to indigents;

(2) To provide legal training and legal technical assistance to other eligible legal aid societies; and

(3) If the legal aid society has entered into an agreement pursuant to division (H) of section 120.53 of the Revised Code and in accordance with the description and list of conditions set forth in its application pursuant to division (B)(9) of that section, to provide funds for the services, programs, training, and legal technical assistance provided to the legal aid society under the contract.

(B) No financial assistance received by a legal aid society from the legal aid fund pursuant to section 120.53 of the Revised Code shall be used for the provision of legal services in ~~relation to~~ any criminal case or proceeding or in ~~relation to~~ the provision of legal assistance in any fee generating case.

Sec. 2953.26. (A) As used in this section:

(1) "Collateral sanction for housing" means a penalty, disability, or disadvantage that is related to housing as a result of the individual's conviction of or plea of guilty to an offense and that applies by operation of law in this state whether or not the penalty, disability, or disadvantage is included in the sentence or judgment imposed.

"Collateral sanction for housing" does not include imprisonment, probation, parole, supervised release, forfeiture, restitution, fine, assessment, or costs of prosecution.

(2) "Decision-maker" means a housing provider in this state of residential premises as

defined in section 1923.01 of the Revised Code, including a landlord as defined in section 1923.01 of the Revised Code and a metropolitan housing authority established in Chapter 3735. of the Revised Code.

(3) "Division of parole and community services" means the division of parole and community services of the department of rehabilitation and correction.

(4) "Offense" means any felony or misdemeanor under the laws of this state.

(5) "Tort action" means a civil action for injury, death, or loss to person or property.

(B)(1) An individual who is subject to one or more collateral sanctions for housing as a result of being convicted of or pleading guilty to an offense and who has not already received a certificate of qualification for housing under section 2961.25 of the Revised Code may file for a certificate of qualification for housing by doing either of the following:

(a) In the case of an individual who resides in this state, filing a petition with the court of common pleas of the county in which the person resides;

(b) In the case of an individual who resides outside of this state, filing a petition with the court of common pleas of any county in which any conviction or plea of guilty from which the individual seeks relief was entered.

(2) A petition under division (B)(1) of this section shall be made on a copy of the form prescribed by the division of parole and community services under division (I) of this section, shall contain all of the information described in division (E) of this section, and, except as provided in division (B)(5) of this section, shall be accompanied by an application fee of fifty dollars.

(3) An individual may file a petition under division (B)(1) of this section at any time after the expiration of whichever of the following is applicable:

(a) If the offense that resulted in the collateral sanction for housing from which the individual seeks relief is a felony, at any time after the expiration of one year from the date of release of the individual from any period of incarceration in a state or local correctional facility that was imposed for that offense or, if the individual was not incarcerated for that offense, at any time after the expiration of one year from the date of the individual's final release from all other sanctions imposed for that offense;

(b) If the offense that resulted in the collateral sanction for housing from which the individual seeks relief is a misdemeanor, at any time after the expiration of six months from the date of release of the individual from any period of incarceration in a local correctional facility that was imposed for that offense and all periods of supervision imposed after release from the period of incarceration or, if the individual was not incarcerated for that offense, at any time after the expiration of six months from the date of the final release of the individual from all sanctions imposed for that offense including any period of supervision.

(4) A court of common pleas that receives a petition for a certificate of qualification for housing from an individual shall attempt to determine all other courts in this state in which the individual was convicted of or pleaded guilty to an offense other than the offense from which the

individual is seeking relief. The court shall notify all other courts in this state that it determines under this division were courts in which the individual was convicted of or pleaded guilty to an offense other than the offense from which the individual is seeking relief that the individual has filed the petition and that the court may send comments regarding the possible issuance of the certificate, and shall notify the county's prosecuting attorney that the individual has filed the petition.

A court of common pleas that receives a petition for a certificate of qualification for housing may direct the clerk of court to process and record all notices required in or under this section. Except as provided in division (B)(5) of this section, the court shall pay thirty dollars of the application fee into the state treasury and twenty dollars of the application fee into the county general revenue fund.

(5) Upon receiving a petition for a certificate of qualification for housing, a court of common pleas may waive all or part of the fifty-dollar-filing fee for an applicant who is indigent. If an application fee is partially waived, the first twenty dollars of the fee that is collected shall be paid into the county general revenue fund. Any partial fee collected in excess of twenty dollars shall be paid into the state treasury.

(C)(1) Upon receiving a petition for a certificate of qualification for housing, the court shall review the individual's petition, the individual's criminal history, except for information contained in any record that has been sealed under section 2953.32 of the Revised Code, all filings submitted by the prosecutor or by the victim in accordance with rules adopted by the division of parole and community services, the applicant's military service record, if applicable, and whether the applicant has an emotional, mental, or physical condition that is traceable to the applicant's military service in the armed forces of the United States and that was a contributing factor in the commission of the offense or offenses, and all other relevant evidence. The court may order any report, investigation, or disclosure by the individual that the court believes is necessary for the court to reach a decision on whether to approve the individual's petition for a certificate of qualification for housing, except that the court shall not require an individual to disclose information about any record sealed under section 2953.32 of the Revised Code.

(2) Upon receiving a petition for a certificate of qualification for housing, except as otherwise provided in this division, the court shall decide whether to issue the certificate within sixty days after the court receives the completed petition and all information requested for the court to make that decision. Upon request of the individual who filed the petition, the court may extend the sixty-day period specified in this division.

(3) Except as provided in division (C)(5) of this section and subject to division (D)(3) of this section, a court that receives an individual's petition for a certificate of qualification for housing may issue a certificate of qualification for housing, at the court's discretion, if the court finds that the individual has established all of the following by a preponderance of the evidence:

- (a) Granting the petition will materially assist the individual in obtaining housing.
- (b) The individual has a substantial need for the relief requested in order to live a law-

abiding life.

(c) Granting the petition would not pose an unreasonable risk to the safety of the public or any individual.

(4) The submission of an incomplete petition by an individual shall not be grounds for the court to deny the petition.

(5) Subject to division (C)(6) of this section, an individual is rebuttably presumed to be eligible for a certificate of qualification for housing if the court that receives the individual's petition finds all of the following:

(a) The application was filed after the expiration of the applicable waiting period prescribed in division (B)(3) of this section.

(b) If the offense that resulted in the collateral sanction for housing from which the individual seeks relief is a felony, at least three years have elapsed since the date of release of the individual from any period of incarceration in a state or local correctional facility that was imposed for that offense and all periods of supervision imposed after release from the period of incarceration or, if the individual was not incarcerated for that offense, at least three years have elapsed since the date of the individual's final release from all other sanctions imposed for that offense;

(c) If the offense that resulted in the collateral sanction for housing from which the individual seeks relief is a misdemeanor, at least one year has elapsed since the date of release of the individual from any period of incarceration in a local correctional facility that was imposed for that offense and all periods of supervision imposed after release from the period of incarceration or, if the individual was not incarcerated for that offense, at least one year has elapsed since the date of the final release of the individual from all sanctions imposed for that offense including any period of supervision.

(6) An application that meets all of the requirements for the presumption under division (C)(5) of this section shall be denied only if the court that receives the petition finds that the evidence reviewed under division (C)(1) of this section rebuts the presumption of eligibility for issuance by establishing, by a preponderance of the evidence, that the applicant has not been rehabilitated.

(7) If a court that receives an individual's petition for a certificate of qualification for housing denies the petition, the court shall provide written notice to the individual of the court's denial. The court may place conditions on the individual regarding the individual's filing of any subsequent petition for a certificate of qualification for housing. The written notice must notify the individual of any conditions placed on the individual's filing of a subsequent petition for a certificate of qualification for housing.

If a court of common pleas that receives an individual's petition for a certificate of qualification for housing denies the petition, the individual may appeal the decision to the court of appeals only if the individual alleges that the denial was an abuse of discretion on the part of the court of common pleas.

(D)(1) A certificate of qualification for housing issued to an individual under this section or

section 2961.25 of the Revised Code lifts the automatic bar of a collateral sanction for housing and a decision-maker shall consider on a case-by-case basis whether to provide or deny housing, notwithstanding the individual's possession of the certificate, without, however, reconsidering or rejecting any finding made by a court under division (C)(3) of this section.

(2) The certificate constitutes a rebuttable presumption that the person's criminal convictions are insufficient evidence that the person is unfit for the housing in question. Notwithstanding the presumption established under this division, the decision-maker may deny the housing to the person if it determines that the person is unfit for the housing.

(3) A certificate of qualification for housing issued to an individual under this section or section 2961.25 of the Revised Code does not create relief from requirements imposed by Chapter 2950. of the Revised Code and rules adopted under sections 2950.13 and 2950.132 of the Revised Code.

(E) A petition for a certificate of qualification for housing filed by an individual under division (B)(1) of this section shall include all of the following:

(1) The individual's name, date of birth, and social security number;

(2) All aliases of the individual and all social security numbers associated with those aliases;

(3) The individual's current residential address, including the length of time that the individual has resided in the current residence, expressed in years and months, and the city, county, state, and zip code of the residence;

(4) A history of the individual's residential address or addresses for the past ten years, including the length of time that the individual has resided at the address, expressed in years and months of residence, and the city, county, state, and zip code of residence;

(5) A general statement as to why the individual has filed the petition and how the certificate of qualification for housing would assist the individual;

(6) A summary of the individual's criminal history, except for information contained in any record that has been sealed under section 2953.32 of the Revised Code, with respect to each offense that is a disqualification from housing, including the years of each conviction or plea of guilty for each of those offenses;

(7) A summary of the individual's employment history, specifying the name of, and dates of employment with, each employer;

(8) Verifiable references and endorsements;

(9) The name of one or more immediate family members of the individual, or other persons with whom the individual has a close relationship, who support the individual's reentry plan;

(10) A summary of the reason the individual believes the certificate of qualification for housing should be granted;

(11) Any other information required by rule by the department of rehabilitation and correction.

(F)(1) In a tort action, a certificate of qualification for housing issued to an individual under

this section or section 2961.25 of the Revised Code may be introduced as evidence of a decision-maker's due care in leasing to the individual to whom the certificate of qualification for housing was issued if the decision-maker knew of the certificate at the time of the alleged negligence or other fault.

(2) In a tort action against a decision-maker for negligent leasing, a certificate of qualification for housing issued to an individual under this section or section 2961.25 of the Revised Code provides immunity for the decision-maker as to the claim if the decision-maker knew of the certificate at the time of the alleged negligence.

(3) If a decision-maker leases to an individual who has been issued a certificate of qualification for housing under this section or section 2961.25 of the Revised Code, if the individual, after being leased to, subsequently demonstrates dangerousness or is convicted of or pleads guilty to a felony or a misdemeanor offense of violence, and if the decision-maker retains the individual as a lessee after the demonstration of dangerousness or the conviction or guilty plea, the decision-maker may be held liable in a tort action that is based on or relates to the retention of the individual as a lessee only if it is proved by a preponderance of the evidence that both of the following apply:

(a) The decision-maker had actual knowledge that the lessee was dangerous or had been convicted of or pleaded guilty to the felony or the misdemeanor offense of violence.

(b) The decision-maker was willful in retaining the individual as a lessee after the demonstration of dangerousness or the conviction or guilty plea of which the decision-maker has actual knowledge.

(G) A certificate of qualification for housing issued under this section or section 2961.25 of the Revised Code shall be revoked if the individual to whom the certificate of qualification for housing was issued is convicted of or pleads guilty to a felony or a misdemeanor offense of violence committed subsequent to the issuance of the certificate of qualification for housing.

(H) A court's issuance, or failure to issue, under this section, or the department of rehabilitation and correction's or adult parole authority's issuance, or failure to issue, under section 2961.25 of the Revised Code, a certificate of qualification for housing to an individual does not give rise to a claim for damages against the department of rehabilitation and correction or court.

(I) The division of parole and community services shall adopt rules in accordance with Chapter 119. of the Revised Code for the implementation and administration of this section and shall prescribe the form for the petition to be used under division (B)(1) of this section. The form for the petition shall include places for all of the information specified in division (E) of this section.

(J) Nothing in this section shall be construed to create or provide a private right of action.

Sec. 2961.25. (A) If the department of rehabilitation and correction or the adult parole authority issues a certificate of achievement and employability to a prisoner under division (C)(2) of section 2961.22 of the Revised Code, the department or authority shall also issue a certificate of qualification for housing to the prisoner if the prisoner has satisfactorily completed a tenant education, training, and readiness program approved by rule by the department of rehabilitation and

correction. A certificate of qualification for housing issued under this section has the same effect as a certificate of qualification for housing issued under section 2953.26 of the Revised Code.

(B) The department of rehabilitation and correction shall adopt rules that define tenant education, training, and readiness programs that a prisoner may complete to satisfy the criteria described in division (A) of this section.

Sec. 4722.01. As used in this chapter:

(A) "Cost-plus contract" means a contract entered into between an owner and a home construction service supplier under which payment to the supplier is based on the cost of a product plus the supplier's rate for labor to install the product plus an agreed percentage of profit or a stipulated fee.

(B) "Home construction service" means the construction of a residential building, including the creation of a new structure and the repair, improvement, remodel, or renovation of an existing structure. "Home construction service" does not include construction performed on a structure that contains four or more dwelling units, except for work on an individual dwelling unit within that structure, or construction performed on the common area of a condominium property.

(C) "Home construction service contract" means a contract between an owner and a supplier to perform home construction services, including services rendered based on a cost-plus contract, for an amount exceeding twenty-five thousand dollars.

(D) "Home construction service supplier" or "supplier" means a person who contracts with an owner to provide home construction services for compensation and who maintains in force a general liability insurance policy in an amount of not less than two hundred fifty thousand dollars.

(E) "Owner" means the person who contracts with a home construction service supplier. "Owner" may include the owner of the property, a tenant who occupies the dwelling unit on which the home construction service is performed, or a person the owner authorizes to act on the owner's behalf to contract for a home construction service, and any other person who contracts for a home construction service.

(F) "Residential building" means a one-, two-, or three-family dwelling and any accessory construction incidental to the dwelling. "Residential building" does not include any of the following:

- (1) An industrialized unit as described in section 3781.06 of the Revised Code;
- (2) A manufactured home as described in section 3781.06 of the Revised Code;
- (3) A mobile home as described in section 4501.01 of the Revised Code.

(G) "Workmanlike manner" means the home construction service supplier has engaged in construction that meets or exceeds the minimum quantifiable standards promulgated by the Ohio home builders association.

Sec. 5709.56. (A) As used in this section:

(1) "Pre-residential development property" means a subdivided parcel of unimproved real property on which construction of one or more residential buildings is planned but has not yet commenced. The construction of streets, sidewalks, curbs, or driveways or the installation of water,

sewer, or other utility lines on a subdivided parcel does not cause construction of a residential building to commence for purposes of division (A)(1) or (B) of this section. "Pre-residential development property" does not include a parcel, any portion of the value of which is exempted from taxation under section 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code.

(2) "Residential building" means a building or structure any part of which is to be used as a dwelling.

(3) "Unexempted value" means, for any subdivided parcel, one of the following:

(a) Except as provided in division (A)(3)(b) of this section, the purchase price of the original property multiplied by a fraction, the numerator of which is the true value in money of the subdivided parcel for the tax year the subdivided parcel first appears on the tax list and the denominator of which is the true value in money of all subdivided parcels subdivided from that original parcel for that tax year.

(b) If a subdivided parcel exempted under this section is itself subdivided, the "unexempted value" of the newly subdivided parcel equals the unexempted value, as defined in division (A)(3)(a) of this section, of the parcel from which the newly subdivided parcel was subdivided for the tax year preceding the tax year the newly subdivided parcel first appears on the tax list multiplied by a fraction, the numerator of which is the true value in money of the newly subdivided parcel for the tax year it first appears on the tax list and the denominator of which is the true value in money for that year of all newly subdivided parcels resulting from the most recent subdivision.

(4) "Subdivided parcel" means a parcel resulting from the subdivision of original property pursuant to a plat subdividing that property presented to the county auditor under section 5713.18 of the Revised Code.

(5) "Original property" means the parcel from which a subdivided parcel is subdivided.

(6) "Qualifying owner" means the owner of pre-residential development property for any portion of a tax year ending on or after ~~the effective date of this section~~ October 3, 2023, that includes the date a plat subdividing land including such property is presented to the county auditor under section 5713.18 of the Revised Code, or any other person to which title to the property is transferred, without consideration, by another qualifying owner.

(7) "Purchase price" means the price at which the property was most recently sold in an arm's length transaction, as described in section 5713.03 of the Revised Code.

(B) ~~Any~~ Subject to section 5715.27 of the Revised Code, any increase in taxable value above the unexempted value of pre-residential development property owned by a qualifying owner is exempted from taxation beginning with the first tax year the pre-residential development property appears on the tax list after a plat subdividing land including that property is presented to the county auditor under section 5713.18 of the Revised Code and for each of the seven ensuing tax years, except that the exemption shall not apply beginning with the tax year that begins after the tax year in which the earliest of the following occurs:

(1) Construction of a residential building on that property commences;

(2) Title to the property is transferred for consideration by a qualifying owner to another person;

(3) Any portion of the value of that property is exempted from taxation under section 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code.

(C) ~~The tax commissioner~~ A county auditor shall not approve an application for an exemption authorized under this section unless the ~~applicant for the exemption~~ qualifying owner certifies that the parcel that is the subject of the exemption satisfies the requirements of division (A)(1) of this section for pre-residential development property.

(D)(1) If a parcel subject to the partial exemption authorized by this section is valued at its current value for agricultural use under section 5713.31 of the Revised Code, the county auditor shall regularly inspect the parcel to determine whether a conversion of land devoted exclusively to agricultural use, as defined in section 5713.30 of the Revised Code, has occurred. Nothing in this section shall be construed to limit the authority of a county auditor to levy any recoupment charge pursuant to sections 5713.34 and 5713.35 of the Revised Code.

(2) Nothing in this section shall be construed to allow a parcel that is not land devoted exclusively to agricultural use, as defined in section 5713.30 of the Revised Code, to be valued at its current value for agricultural use under section 5713.31 of the Revised Code.

(3) Nothing in this section shall be construed to authorize a parcel subject to the partial exemption authorized by this section to be valued and assessed for taxation in any manner other than in accordance with Section 36 of Article II or Section 2 of Article XII, Ohio Constitution, as applicable to the parcel.

Sec. 5715.27. (A)(1) Except as provided in division (A)(2) of this section and in section 3735.67 of the Revised Code, the owner, a vendee in possession under a purchase agreement or a land contract, the beneficiary of a trust, or a lessee for an initial term of not less than thirty years of any property may file an application with the tax commissioner, on forms prescribed by the commissioner, requesting that such property be exempted from taxation and that taxes, interest, and penalties be remitted as provided in division (C) of section 5713.08 of the Revised Code.

(2) If the property that is the subject of the application for exemption is any of the following, the application shall be filed with the county auditor of the county in which the property is listed for taxation:

(a) A public road or highway;

(b) Property belonging to the federal government of the United States;

(c) Additions or other improvements to an existing building or structure that belongs to the state or a political subdivision, as defined in section 5713.081 of the Revised Code, and that is exempted from taxation as property used exclusively for a public purpose;

(d) Pre-residential development property that is exempted from taxation pursuant to section 5709.56 of the Revised Code.

~~(B)~~ (B)(1) The board of education of any school district may request the tax commissioner or

county auditor to provide it with notification of applications for exemption from taxation for property located within that district. If so requested, and except as provided in division (B)(2) of this section, the commissioner or auditor shall send to the board on a monthly basis reports that contain sufficient information to enable the board to identify each property that is the subject of an exemption application, including, but not limited to, the name of the property owner or applicant, the address of the property, and the auditor's parcel number. The commissioner or auditor shall mail the reports by the fifteenth day of the month following the end of the month in which the commissioner or auditor receives the applications for exemption.

(2) A county auditor shall not provide a board of education with notification of an application for exemption from taxation for pre-residential development property filed pursuant to section 5709.56 of the Revised Code.

(C) A board of education that has requested notification under division ~~(B)~~~~(B)(1)~~ of this section may, with respect to any application for exemption of property located in the district and included in the commissioner's or auditor's most recent report provided under that division, file a statement with the commissioner or auditor and with the applicant indicating its intent to submit evidence and participate in any hearing on the application. The statements shall be filed prior to the first day of the third month following the end of the month in which that application was docketed by the commissioner or auditor. A statement filed in compliance with this division entitles the district to submit evidence and to participate in any hearing on the property and makes the district a party for purposes of sections 5717.02 to 5717.04 of the Revised Code in any appeal of the commissioner's or auditor's decision to the board of tax appeals.

(D) The commissioner or auditor shall not hold a hearing on or grant or deny an application for exemption of property in a school district whose board of education has requested notification under division ~~(B)~~~~(B)(1)~~ of this section until the end of the period within which the board may submit a statement with respect to that application under division (C) of this section. The commissioner or auditor may act upon an application at any time prior to that date upon receipt of a written waiver from each such board of education, or, in the case of exemptions authorized by section 725.02, 1728.10, 5709.40, 5709.41, 5709.411, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 5709.78, 5709.84, or 5709.88 of the Revised Code, upon the request of the property owner. An auditor may act at any time on an application about which the board of education is not authorized to receive notice under division (B)(2) of this section. Failure of a board of education to receive the report required in division ~~(B)~~~~(B)(1)~~ of this section shall not void an action of the commissioner or auditor with respect to any application. The commissioner or auditor may extend the time for filing a statement under division (C) of this section.

(E) A complaint may also be filed with the commissioner or auditor by any person, board, or officer authorized by section 5715.19 of the Revised Code to file complaints with the county board of revision against the continued exemption of any property granted exemption by the commissioner or auditor under this section other than pre-residential development property that is exempted from

taxation pursuant to section 5709.56 of the Revised Code.

(F) An application for exemption and a complaint against exemption shall be filed prior to the thirty-first day of December of the tax year for which exemption is requested or for which the liability of the property to taxation in that year is requested. The commissioner or auditor shall consider such application or complaint in accordance with procedures established by the commissioner, determine whether the property is subject to taxation or exempt therefrom, and, if the commissioner makes the determination, certify the determination to the auditor. Upon making the determination or receiving the commissioner's determination, the auditor shall correct the tax list and duplicate accordingly. If a tax certificate has been sold under section 5721.32 or 5721.33 of the Revised Code with respect to property for which an exemption has been requested, the tax commissioner or auditor shall also certify the findings to the county treasurer of the county in which the property is located.

(G) Applications and complaints, and documents of any kind related to applications and complaints, filed with the tax commissioner or county auditor under this section are public records within the meaning of section 149.43 of the Revised Code.

(H) If the commissioner or auditor determines that the use of property or other facts relevant to the taxability of property that is the subject of an application for exemption or a complaint under this section has changed while the application or complaint was pending, the commissioner or auditor may make the determination under division (F) of this section separately for each tax year beginning with the year in which the application or complaint was filed or the year for which remission of taxes under division (C) of section 5713.08 of the Revised Code was requested, and including each subsequent tax year during which the application or complaint is pending before the commissioner or auditor.

SECTION 2. That existing sections 120.54, 4722.01, 5709.56, and 5715.27 of the Revised Code are hereby repealed.

SECTION 3. The amendment by this act of sections 5709.56 and 5715.27 of the Revised Code applies to applications filed under section 5715.27 of the Revised Code for tax years beginning on or after the effective date of this section.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the ____ day of _____, A. D. 20 ____.

Secretary of State.

File No. _____ Effective Date _____