

As Introduced

**132nd General Assembly
Regular Session
2017-2018**

S. B. No. 334

**Senator Schiavoni
Cosponsor: Senator Yuko**

A BILL

To amend section 175.05 and to enact section 175.35 1
of the Revised Code to provide financial 2
assistance to first-time homebuyers with student 3
loan debt and to make an appropriation. 4

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 175.05 be amended and section 5
175.35 of the Revised Code be enacted to read as follows: 6

Sec. 175.05. (A) The Ohio housing finance agency shall do 7
all of the following related to the agency's operation: 8

(1) Adopt bylaws for the conduct of its business; 9

(2) Employ and fix the compensation of the executive 10
director who serves at the pleasure of the agency to administer 11
the agency's programs and activities. The executive director may 12
employ and fix the compensation of employees in the unclassified 13
civil service as necessary to carry out this chapter and may 14
employ other personnel who are governed by collective bargaining 15
law and classified under that law. The executive director shall 16
carry out all duties as described in section 175.053 of the 17
Revised Code. 18

(3) Establish an operating budget for the agency and	19
administer funds appropriated for the agency's use;	20
(4) Notwithstanding any other provision of the Revised	21
Code, hold all moneys, funds, properties, and assets the agency	22
acquires or that are directly or indirectly within the agency's	23
control, including proceeds from the sale of bonds, revenues,	24
and otherwise, in trust for the purpose of exercising its powers	25
and carrying out its duties pursuant to this chapter.	26
Notwithstanding any other provision of the Revised Code other	27
than section 175.051 of the Revised Code, at no time shall the	28
agency's moneys, funds, properties, or assets be considered	29
public moneys, public funds, public properties, or public assets	30
or subject to Chapters 131. and 135. of the Revised Code.	31
(5) Maintain a principal office and other offices within	32
the state.	33
(B) The Ohio housing finance agency may do any of the	34
following related to the agency's operation:	35
(1) Except as otherwise provided in section 174.04 of the	36
Revised Code, determine income limits for low- and moderate-	37
income persons and establish periodic reviews of income limits.	38
In determining income limits, the agency shall take into	39
consideration the amount of income available for housing, family	40
size, the cost and condition of available housing, ability to	41
pay the amounts the private market charges for decent, safe, and	42
sanitary housing without federal subsidy or state assistance,	43
and the income eligibility standards of federal programs. Income	44
limits may vary from area to area within the state.	45
(2) Provide technical information, advice, and assistance	46
related to obtaining federal and state aid to assist in the	47

planning, construction, rehabilitation, refinancing, and	48
operation of housing;	49
(3) Provide information, assistance, or instruction	50
concerning agency programs, eligibility requirements,	51
application procedures, and other related matters;	52
(4) Procure or require the procurement of insurance and	53
pay the premium against loss in connection with the agency's	54
operations, to include the repayment of a loan, in amounts and	55
from insurers, including the federal government, as the agency	56
determines;	57
(5) Contract with, retain, or designate financial	58
consultants, accountants, and other consultants and independent	59
contractors, other than attorneys, whom the agency determines	60
are necessary or appropriate;	61
(6) Charge, alter, and collect interest and other charges	62
for program services including, but not limited to, the	63
allocation of loan funds, the purchase of mortgage loans, and	64
the provision of services that include processing, inspecting,	65
and monitoring of housing units financed and the financial	66
records for those units;	67
(7) Conduct or authorize studies and analyses of housing	68
needs and conditions to the extent that those activities are not	69
carried out by other agencies in a manner that is satisfactory	70
for the agency's needs;	71
(8) (a) Acquire by gift, purchase, foreclosure, investment,	72
or other means, and hold, assign, pledge, lease, transfer, or	73
otherwise dispose of real and personal property or any interest	74
in that property in the exercise of its powers and the	75
performance of its duties;	76

(b) Any instrument by which real property is acquired 77
pursuant to this section shall identify the state agency that 78
has the use and benefit of the real property as specified in 79
section 5301.012 of the Revised Code. 80

(9) (a) Borrow money, receive gifts, grants, loans, or 81
other assistance from any federal, state, local, or other 82
government source, including the housing development fund and 83
the housing trust fund, and enter into contracts in connection 84
with those sources of assistance; 85

(b) Receive assistance or contributions from any 86
nongovernment source to include money, property, labor, or 87
things of value, to be held, used, and applied only for the 88
purposes for which the grants and contributions are made and 89
within the purposes of this chapter. 90

(10) Sue and be sued in its own name with respect to its 91
contracts, obligations, and covenants, or the enforcement of 92
this chapter. Any actions against the agency shall be brought in 93
a court of competent jurisdiction located in Franklin county, 94
Ohio. 95

(11) Enter into any contract, commitment, or agreement and 96
execute any instrument necessary or incidental to the 97
performance of duties and the execution of powers; 98

(12) Adopt an official seal; 99

(13) (a) Contract with any private or government entity to 100
administer programs for which the agency receives sufficient 101
revenues for its services or the agency supports with 102
uncommitted agency resources that pay the agency's operating 103
costs; 104

(b) Administer state and federal programs for which the 105

governor designates the agency to act as administrator. The 106
agency may charge administrative fees to the state, the federal 107
government, or a program recipient. 108

(14) Notwithstanding any other provision of the Revised 109
Code, establish, maintain, administer, and close funds and 110
accounts as convenient or appropriate to the agency's 111
operations; 112

(15) Establish a policy to permit the investment of agency 113
funds in securities and obligations; 114

(16) Establish rules and procedures that the agency 115
determines are appropriate to appeal the agency's actions and 116
decisions; 117

(17) Serve housing needs in instances that the agency 118
determines necessary as a public purpose; 119

(18) Provide coverage for its employees under Chapters 120
145., 4123., and 4141. of the Revised Code; 121

(19) Provide financial assistance for student loan debt 122
pursuant to section 175.35 of the Revised Code; 123

(20) Adopt rules pursuant to Chapter 119. of the Revised 124
Code; 125

~~(20)~~ (21) Do anything necessary or appropriate to exercise 126
the powers of this chapter and carry out the purposes of this 127
chapter and Section 14, Article VIII and Section 16, Article 128
VIII, Ohio Constitution. 129

(C) The attorney general shall serve as the legal 130
representative for the Ohio housing finance agency and may 131
appoint special counsel for that purpose in accordance with 132
section 109.07 of the Revised Code. 133

Sec. 175.35. (A) There is hereby created the student loan forgiveness homebuyer program for the purpose of providing financial assistance to first-time homebuyers with student loan debt. The program shall be administered by the Ohio housing finance agency. 134
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(B) The agency shall determine the terms and qualifications for financial assistance under the program, which shall include both of the following: 139
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(1) That the homebuyer under the program be a first-time homebuyer; 142
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(2) That the homebuyer under the program have student loan debt from a college, university, vocational school, or other post-secondary educational institution, and that the student loan debt be in the name of the homebuyer. 144
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(C) The agency may also consider all of the following factors when determining the guidelines for the program: 148
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(1) The purchase price limits of the residential property; 150

(2) The number and amount of mortgages the homebuyer may have on the residential property; 151
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(3) The status and amount of the student loan debt the homebuyer will have and how it will be forgiven; 153
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(4) The type of homebuyer education that the homebuyer will need to take in order to participate in the program. 155
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(D) The agency may make, participate in making, and undertake a commitment for specified financial assistance to a homebuyer under the program in amounts and types determined by the agency based on industry standards of similar homebuyers, and in conjunction with other homebuyer programs the agency 157
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<u>administers.</u>	162
<u>(E) The agency may purchase or commit to purchase from a</u>	163
<u>lending institution a note, mortgage, or partial interest in a</u>	164
<u>note or mortgage that evidences a residential mortgage loan to a</u>	165
<u>homebuyer for elimination of the homebuyer's student loan debt</u>	166
<u>in conjunction with other homebuyer programs the agency</u>	167
<u>administers.</u>	168
Section 2. That existing section 175.05 of the Revised	169
Code is hereby repealed.	170
Section 3. All items in this section are hereby	171
appropriated as designated out of any moneys in the state	172
treasury to the credit of the designated fund. For all	173
appropriations made in this act, those in the first column are	174
for fiscal year 2018 and those in the second column are for	175
fiscal year 2019. The appropriations made in this act are in	176
addition to any other appropriations made for the FY 2018-FY	177
2019 biennium.	178
HFA OHIO HOUSING FINANCE AGENCY	179
General Revenue Fund	180
GRF 997XXX Home Buyer Assistance \$10,000,000\$10,000,000	181
TOTAL GRF GENERAL REVUNE FUND \$10,000,000\$10,000,000	182
TOTAL ALL BUDGET FUND GROUPS \$10,000,000\$10,000,000	183
HOME BUYER ASSISTANCE	184
The foregoing appropriation item 997XXX, Home Buyer	185
Assistance, shall be used to provide financial assistance to	186
first-time homebuyers with student loan debt in accordance with	187
section 175.35 of the Revised Code.	188

Section 4. Within the limits set forth in this act, the 189
Director of Budget and Management shall establish accounts 190
indicating the source and amount of funds for each appropriation 191
made in this act, and shall determine the form and manner in 192
which appropriation accounts shall be maintained. Expenditures 193
from appropriations contained in this act shall be accounted for 194
as though made in Sub. H.B. 49 of the 132nd General Assembly. 195

The appropriations made in this act are subject to all 196
provisions of Sub. H.B. 49 of the 132nd General Assembly that 197
are generally applicable to such appropriations. 198