



OHIO LEGISLATIVE SERVICE COMMISSION

Shannon Pleiman

Fiscal Note & Local Impact Statement

Bill: H.B. 480 of the 132nd G.A.

Status: As Enacted

Sponsor: Rep. Hill

Local Impact Statement Procedure Required: No

Subject: Establishes requirements for multi-parcel auctions and makes changes affecting foreclosure auctions

State & Local Fiscal Highlights

- The Department of Agriculture will not incur any new costs for adding the multi-parcel auction format to the list of auction formats it regulates under current law. The Department currently oversees approximately 3,200 licensed auctioneers, auction apprentices, and auction firms statewide.

Detailed Fiscal Analysis

Multi-parcel auctions

The bill establishes new requirements concerning multi-parcel auctions and has no direct fiscal effect on the state or political subdivisions. Current law generally governs three types of auctions – absolute, reserve, and estate auctions – which are regulated by the Department of Agriculture (AGR). The bill subjects an additional and commonly used type of auction – the multi-parcel auction format – to regulation by AGR. A multi-parcel auction is any auction of real or personal property in which multiple parcels or lots are offered for sale in various amalgamations, including as individual parcels or lots, combinations of parcels or lots, and all parcels or lots as a whole. Theoretically, bidding for various combinations under the multi-parcel auction format allows the seller to gain the highest possible price for the acreage being auctioned. Please consult the LSC Bill Analysis for more details on how a multi-parcel auction is conducted.

Under current law, a person who wishes to act as an auctioneer or auction firm must obtain a license from AGR. Auctioneers are required to renew their license biennially, which includes a fee of \$200. The license fee for auctioneer firms is \$100 and is renewed annually. Both fees are deposited into the Auctioneer Fund (Fund 5B80). In FY 2017, Fund 5B80 collected \$291,500 in revenue. Currently, there are approximately 3,200 licensed auctioneers, apprentice auctioneers, and auction businesses in the state. One full-time employee works under the Auctioneer Program.

Foreclosures

The bill makes several changes to the manner in which private selling officers and sheriffs conduct foreclosure auctions including clarifying certain timelines for online sales. The changes in the bill do not have a fiscal impact on political subdivisions.