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NATIONAL REAL ESTATE INVESTORS ASSOCIATION

A non-profit Trade Association serving the Real Estate Investing Industry for over 20 years.

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National REIA Spearheads Landlord Protection Victory in Ohio

(Cincinnati, Ohio) Before the Ohio General Assembly adjourned its session last month it handed landlords a big win with the passage of legislation aimed at curbing harassment-for-profit by local fair housing organizations.

Responding to concerns of landlords from around Ohio that had been targeted by fair housing groups the National Real Estate Investors Association assembled a coalition of organizations, crafted legislation, and worked to pass the law that levels the playing field when a charge of discrimination is made.

Ohio law, unlike federal law and those of most states, imposes mandatory attorney fees and mandatory damages if a violation is found. This created an incentive in Ohio for fair housing agencies to aggressively bounty hunt and bully real estate investors into paying them a settlement since fighting the charges is too expensive.

"Ohio's fair housing statute has been out of step." said National REIA Executive Director Rebecca McLean. "We support anti-discrimination laws but well-intentioned landlords found themselves at the mercy of fair housing groups seeking easy money and National REIA's concern was that this practice would spread to other states."

State Senator William Seitz (R-Cincinnati) sponsored the legislation in the Ohio Senate while State Representatives Jonathan Dever (R-Madeira) and John Patterson (D-Jefferson) sponsored a companion bill in the House. As the two-year session drew to a close in December their legislation was added as an amendment to Dever's House Bill 463, a related bill that had been placed on the fast track for passage. The Senate passed the bill by a vote of 26-5 while the House concurred with the Senate amendments by a vote of 72-21. Ohio Governor John Kasich signed the bill into law on January 4th.

The new law makes several changes to the administrative process, leveling the playing field when a charge of discrimination is filed with the Ohio Civil Rights Commission and protecting landlords from poaching by:

- Making actual damages discretionary if a violation is found;
- Making reasonable attorney fees discretionary if a violation is found;
- Eliminating mandatory punitive damages and replacing them with discretionary civil penalties if a violation is found;
- Allowing a landlord to recover attorney fees if the Commission finds no violation;
- Allows the Commission to use alternative dispute resolution;
- Prohibits a change in the complaint after seven days prior to the hearing before the Commission.

“These changes allow the Civil Rights Commission to weigh the facts of each case and proceed accordingly rather than treating all cases with a cookie cutter approach,” McLean added. “Importantly, it puts an end to the indiscriminate shaking down of landlords by fair housing groups. Actual cases of discrimination are unacceptable and nothing in the new law prevents the enforcement of Ohio’s fair housing laws.”

National REIA worked closely with Senator Seitz and Representative Dever as well as legislative leaders to achieve this victory. In addition, National REIA’s grassroots advocacy had a strong impact as lawmakers received calls, letters, and e-mails from investors around the country in support of the legislation.

“This issue had national implications,” said National REIA’s Director of Government Affairs Charles Tassell. “Working together we ensured that the investor’s voice was heard and the result was good public policy that improves the industry in Ohio and prevents this problem from impacting landlords in other states.”

The National Real Estate Investors Association is a 501 (c)6 trade association. They are a federation made up of local associations or investment groups throughout the United States. They represent local investor associations, property owner associations, apartment associations, and landlord associations on a national scale. Together they represent the interests of approximately 40,000 members across the U.S. As such, they are the largest broad based organization dedicated to the individual investor.