

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 175-12-01

**Rule Type:** New

**Rule Title/Tagline:** Definitions.

**Agency Name:** Ohio Housing Finance Agency

**Division:**

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#### I. Rule Summary

1. **Is this a five year rule review?** No
  - A. **What is the rule's five year review date?**
2. **Is this rule the result of recent legislation?** Yes
  - A. **If so, what is the bill number, General Assembly and Sponsor?** HB 33 - 135 - Representative Jay Edwards
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** R.C. 175.05, 175.17
5. **What statute(s) does the rule implement or amplify?** R.C. 175.17
6. **Does the rule implement a federal law or rule in a manner that is more stringent or burdensome than the federal law or regulation requires?** No
  - A. **If so, what is the citation to the federal law or rule?** Not Applicable
7. **What are the reasons for proposing the rule?**

To implement the Single Family Tax Credit Program contained in R.C. 175.17.

- 8. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

The rule sets forth 25 definitions to implement the Single-Family Tax Credit Program, including, but not limited to, the definitions of affordable, blighted, construction completion, credit certificate, development cost, development team, eligible home buyer, first time home buyer, home sale summary, homeowner gain, homeowner tax credit equity, qualified buyer, qualified project, rehabilitation, service, and single-family dwelling.

- 9. Does the rule incorporate material by reference? No**
- 10. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

*Not Applicable*

- 11. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

The prior definition of "Development Costs" stipulated the total estimated development costs are reduced by any shortage in an equity sale of the tax credits (i.e. buyers paying less than 100 cents per \$1.00 of tax credit). However, this reduction may result in a lower tax credit in certain circumstances. Changed the definition language to allow flexibility in applying the reduction.

## **II. Fiscal Analysis**

- 12. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

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Not applicable.

- 13. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

This voluntary program (Single Family Tax Credit) for units of government and development teams to apply for competitively awarded tax credits, which will help

finance the construction of single family dwellings. There are currently no known costs to comply with this rule.

14. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No
15. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No
16. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.

Not applicable.

### **III. Common Sense Initiative (CSI) Questions**

17. Was this rule filed with the Common Sense Initiative Office? Yes
18. Does this rule have an adverse impact on business? Yes
  - A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No
  - B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No
  - C. Does this rule require specific expenditures or the report of information as a condition of compliance? No
  - D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? Yes

This is a voluntary program (Single Family Tax Credit) for units of government and a development team to apply for competitively awarded tax credits, which will help finance the construction of single-family dwellings. The rule definition for development costs impacts the calculation of the tax credit, which could impact a development team member's tax credit claim.

### **IV. Regulatory Restriction Requirements under S.B. 9. Note: This section only applies to agencies described in R.C. 121.95(A).**

**19. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? No**

**A. How many new regulatory restrictions do you propose adding to this rule?**

Not Applicable

**B. How many existing regulatory restrictions do you propose removing from this rule?**

Not Applicable

**C. If you are not removing existing regulatory restrictions from this rule, please list the rule number(s) from which you are removing restrictions.**

Not Applicable

**D. Please justify the adoption of the new regulatory restriction(s).**

Not Applicable