



Sub. H.B. 123

127th General Assembly

(As Reported by H. Economic Development & Environment)

Reps. Collier, J. Hagan, Combs, Zehringer, Wolpert

BILL SUMMARY

- Prohibits the board of directors of a conservancy district that has never collected an assessment or maintenance assessment from levying such a first-time assessment or maintenance assessment on land that is owned by a church within the district unless the governing authority of the church requests that the church's land be subject to the assessment or maintenance assessment, and establishes applicable procedures.
- Authorizes the owner of real property that is exempt from an assessment or a maintenance assessment to request that the assessment or maintenance assessment be imposed.

CONTENT AND OPERATION

Conservancy district assessments: exemption for churches

General assessments

Under current law, the board of directors of a conservancy district must levy on all real property and on all public corporations on which benefits have been appraised in a conservancy appraisal record approved by the conservancy court an assessment of the portion of those benefits that the board finds to be necessary to pay the cost of the execution of the district's official plan, including superintendence of construction and administration, plus one-ninth of that total for contingencies. The assessment must be apportioned to and levied on each tract of land or other property and each public corporation in the conservancy district in proportion to, and not in excess of, the appraised benefits; specified interest must be added to the assessment. After the assessment is levied, the board of directors must obtain confirmation of it from the conservancy court. Following the court's issuance of a confirmation order and transmittal of the order to each affected political subdivision, the board of directors may issue anticipatory notes in an

amount up to 90% of the assessment. At that juncture, the conservancy district's conservancy assessment record containing specified information must be prepared, signed, certified, and placed on file in the district's office. (Sec. 6101.48.)

The bill specifies that the board of directors of a conservancy district that has not collected an assessment prior to the bill's effective date and that subsequently proposes to collect such an assessment must not levy an assessment on real property that is owned by a church¹ or on which a church operates a camp and that is located within the district unless the governing authority of the church has specifically requested in writing that the assessment be imposed on the church's real property or on the property on which the church operates a camp. If a board of directors receives such a written request from the governing authority of a church, the board must levy and collect the assessment in accordance with the procedures and requirements established in the Conservancy Districts Law. (Sec. 6101.48(B)(1).)

Prior to the levying of such a first-time assessment, the board of directors of a conservancy district may send a written notice to the governing authority of a church that is located within the district or that operates a camp in the district that explains the benefits of the proposed assessment and that requests the governing authority of the church to choose to voluntarily allow the proposed assessment to be imposed on the church's real property or on the property on which the church operates a camp (sec. 6101.48(B)(2)).

The governing authority of a church that has requested in writing that an assessment be imposed on the church's real property or on the property on which the church operates a camp may cease paying the assessment if the governing authority specifically requests in writing to the board of directors of the conservancy district that the assessment cease to be imposed. If the board of directors of a conservancy district receives such a written request from the governing authority of a church, the board must cease levying and collecting the assessment. (Sec. 6101.48(B)(3).) A written request from the governing authority of a church to impose an assessment on the church's real property or on the property on which the church operates a camp and a church's payment of such an assessment are not to be construed to abdicate, abridge, or limit the rights and privileges pertaining to a church that are established under any other state statute (sec. 6101.48(B)(4)).

¹ As used in the bill, "church" means a fellowship of believers, congregation, society, corporation, convention, or association that is formed primarily or exclusively for religious purposes and that is not formed for the private profit of any person (sec. 6101.48(B)(5)).

The bill authorizes the owner of real property that is exempt from an assessment to specifically request in writing to the board of directors of the conservancy district that the assessment be imposed on the owner's real property. The procedures applicable to churches under the bill apply to such a request. (Sec. 6101.48(C).)

Maintenance assessments

Under existing law, the board of directors of a conservancy district annually, no later than September 1, may levy an assessment known as a conservancy maintenance assessment on each tract or parcel of land and each public corporation within the district for any of the following purposes and upon substantial completion of district improvements: (1) to maintain, operate, and preserve the reservoirs, ditches, drains, dams, levies, canals, sewers, pumping stations, treatment and disposal works, or other properties or improvements of the district, (2) to strengthen, repair, and restore those improvements as necessary, and (3) to defray the current expenses of the district. A maintenance assessment cannot be made with respect to works and improvements acquired or constructed for the purpose of providing a water supply for domestic, industrial, and public use within the district when the water supply can be metered or measured when furnished to persons or public corporations.

The maintenance assessment must be apportioned on the basis of the total appraisal of benefits accruing for original and subsequent construction, cannot exceed 1% of the total appraisal of benefits in any one year unless the conservancy court authorizes an assessment of a larger percentage, cannot be less than \$2, and must be certified in a specified manner to the county auditor of each county in which lands of the district are located in the conservancy assessment record. The auditor must certify the maintenance assessment to the county treasurer in a prescribed manner, and the treasurer must collect it. The maintenance assessment is in addition to any general assessment that has been or can be levied as discussed above. (Sec. 6101.53.)

The bill specifies that the board of directors of a conservancy district that has not collected a maintenance assessment prior to the bill's effective date and that subsequently proposes to collect such a maintenance assessment must not levy a maintenance assessment on land that is owned by a church or on which a church operates a camp and that is located within the district unless the governing authority of the church has specifically requested in writing that the maintenance assessment be imposed on the church's land or on the land on which the church operates a camp. If a board of directors receives such a written request from the governing authority of a church, the board must levy and collect the maintenance assessment in accordance with the procedures and requirements established in the Conservancy Districts Law. (Sec. 6101.53(B)(1).)

Prior to the levying of such a first-time maintenance assessment, the board of directors of a conservancy district may send a written notice to the governing authority of a church that is located within the district or that operates a camp in the district that explains the need for the proposed maintenance assessment and that requests the governing authority of the church to choose to voluntarily allow the proposed maintenance assessment to be imposed on the church's land or on the land on which the church operates a camp (sec. 6101.53(B)(2)).

The governing authority of a church that has requested in writing that a maintenance assessment be imposed on the church's land or on the land on which the church operates a camp may cease paying the assessment if the governing authority specifically requests in writing to the board of directors of the conservancy district that the maintenance assessment cease to be imposed. If the board of directors of a conservancy district receives such a written request from the governing authority of a church, the board must cease levying and collecting the maintenance assessment. (Sec. 6101.53(B)(3).) A written request from the governing authority of a church to impose a maintenance assessment on the church's land or on the land on which the church operates a camp and a church's payment of such a maintenance assessment are not to be construed to abdicate, abridge, or limit the rights and privileges pertaining to a church that are established under any other state statute (sec. 6101.53(B)(4)).

The owner of land that is exempt from a maintenance assessment may specifically request in writing to the board of directors of the conservancy district that the maintenance assessment be imposed on the owner's land. The procedures applicable to churches under the bill apply to such a request. (Sec. 6101.53(C).)

HISTORY

ACTION	DATE
Introduced	03-22-07
Reported, H. Economic Development & Environment	05-17-07

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