



Ohio Legislative Service Commission

Bill Analysis

Amber Hardesty

H.B. 223

128th General Assembly
(As Introduced)

Reps. Letson and Coley, Derickson, Ruhl, Mallory, Bubp, Boyd, Yuko, Combs, Blessing, Harwood, Hackett, Bacon

BILL SUMMARY

- Authorizes, temporarily, county treasurers and county prosecuting attorneys to designate that part of any surplus balance in the county's Delinquent Tax and Assessment Collection Fund be used to pay operating expenses in that office in lieu of county general fund money.

CONTENT AND OPERATION

Delinquent Tax and Assessment Collection Fund

(R.C. 321.261, not in the bill; Section 1)

Under continuing law, a Delinquent Tax and Assessment Collection (DTAC) Fund is established in each county treasury. The fund receives 5% of collections of delinquent property taxes, manufactured home taxes, and special assessments. In most counties, the fund can be used only to pay the expenses of the county prosecuting attorney and the county treasurer in collecting additional delinquent taxes and assessments. In any county with a 2006 population of more than 100,000, the treasurer and prosecuting attorney can spend any DTAC Fund money not needed for delinquent tax collection to assist townships and municipal corporations to abate "foreclosed residential nuisances"; the prosecuting attorney also can spend excess DTAC Fund money to prosecute violations of "criminal and civil laws governing real estate and related transactions." The total amount spent for purposes other than delinquent tax collection cannot exceed \$3 million per year. In Cuyahoga County, which is the only county authorized to create a county land reutilization corporation (see R.C. Chapter 1724.), DTAC Fund money can be used to fund the corporation.

Additionally, under Am. Sub. H.B. 1 of the 128th General Assembly,¹ the treasurer or prosecuting attorney of any county can use money in the DTAC Fund to fund residential mortgage foreclosure prevention efforts and to address foreclosure-related problems. Specifically, the DTAC money can be used to "provide financial assistance in the form of loans to borrowers in default on their home mortgages, including for the payment of late fees, to clear arrearage balances, and to augment moneys used in the county's foreclosure prevention program." The amount spent for those purposes in any year cannot exceed the amount that would result in the DTAC Fund reserve falling below 20% of the amount spent the preceding year on collecting delinquent taxes. DTAC money also may be spent to assist cities, villages, and townships in nuisance abatement of "deteriorated residential buildings in foreclosure" or vacant, abandoned, tax-delinquent, or blighted real property.

The bill permits a county prosecuting attorney or county treasurer to determine that the amount of money appropriated to the respective office from the DTAC Fund exceeds the amount required to be used by that office as prescribed under current law. If a county prosecuting attorney or county treasurer makes that determination, the prosecuting attorney or treasurer can expend up to 50% of the excess to pay the expenses of operating the respective office that otherwise would be payable from appropriations from the county general fund.

This section applies on or after July 1, 2009, and expires July 1, 2011.

HISTORY

ACTION	DATE
Introduced	06-16-09

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¹ Effective, in relevant part, October 16, 2009.