



Ohio Legislative Service Commission

Bill Analysis

Wendy H. Gridley

Am. H.B. 387

129th General Assembly
(As Passed by the House)

Reps. Sears and Ashford, Letson, Gardner, Hill, McGregor, Antonio, Combs, Fedor, Stebelton, Brenner, Hackett, Blair, Blessing, Ruhl

BILL SUMMARY

- Permits a county to enter into a sale and leaseback agreement for any county-owned building under which the purchaser must lease all or portions of the building back to the county and also make public improvements to all or portions of the building.
 - Specifies that existing limitations on county lease or sale agreements, including restrictions on the type of building to be leased or sold and competitive-bidding requirements, do not apply to a sale and leaseback authorized by the bill.
 - Authorizes townships to reimburse their officers and employees for out-of-pocket premiums attributable to insurance coverage provided for the immediate dependents of the officers and employees when the officer or employee is denied coverage under or elects not to participate in a township offered health care plan.
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CONTENT AND OPERATION

County sale and leaseback agreements

The bill permits a board of county commissioners to enter into a sale and leaseback agreement under which the board agrees to convey any county-owned building to a purchaser. The purchaser is obligated, immediately upon closing, to lease all or portions of the building back to the board. The only limitation that the bill imposes on the agreement is that it must obligate the lessor to make public improvements to all or portions of the building, including renovations, energy

conservation measures, and other measures necessary to improve functionality and reduce the operating costs of the portions of the building that are subject to the lease.¹

The bill provides that the sale and leaseback agreement must require that, the lessor generally recognize the employee organization that represents the employees who work in the building or portion of the building that is the subject of the agreement and the exclusive representative, as defined in the Collective Bargaining Law, of those employees. (See COMMENT.)

Existing limitations on county leases and sales do not apply

The bill specifies that existing limitations on county leases and sales do not apply to the sale and leaseback authorized by the bill. The limitations that do not apply include the following:

- The type of building that a county may lease (e.g. courthouse, jail, public stadium);
- A maximum county-lease term of 40 years for certain contracts;
- The requirement to competitively bid a lease-purchase plan;²
- The requirement that county real property be not needed for public use in order for the property to be sold;
- Provisions regarding the use of funds from the sale of county real property not used for county purposes.³

Township reimbursement for out-of-pocket insurance premiums for dependents' coverage

Current law authorizes townships to provide health care coverage for their officers, employees, and the immediate dependents of those officers and employees. The township may pay all or part of the cost of insurance policies.⁴ Any officer or employee may refuse to accept the township coverage without affecting the availability of the coverage to other employees.⁵ If an officer or employee is denied coverage under

¹ R.C. 307.093.

² R.C. 307.02, not in the bill.

³ R.C. 307.09, not in the bill.

⁴ R.C. 505.60(A).

⁵ R.C. 505.60(C).

a township-procured health care plan or elects not to participate in such plan, the township may reimburse the officer or employee for each out-of-pocket premium attributable to the coverage provided for the officer or employee for insurance benefits that are the same as those the township is authorized to provide. The reimbursement cannot exceed an amount equal to the average premium paid by the township for its officers and employees under any health care plan it procures.⁶

The bill allows a township to similarly reimburse the officer or employee for out-of-pocket premiums attributable to the coverage provided for the immediate dependents of the officer or employee when coverage is otherwise denied for the officer or employee or the officer or employee elects not to participate in the township plan.⁷

COMMENT

R.C. 4117.01 defines "exclusive representative" as the employee organization certified or recognized as an exclusive representative under the provision of state law, R.C. 4117.05, that provides the procedure for becoming the exclusive representative. The bill's requirement to recognize the employee organization is subject to R.C. 4117.07, the current provision of law that describes the requirements that trigger a representation or decertification election and the procedures for conducting that election.

HISTORY

ACTION	DATE
Introduced	12-01-11
Reported, H. Local Government	03-14-12
Passed House (85-6)	11-27-12

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⁶ R.C. 505.60(D).

⁷ R.C. 505.60(D).

