
LOCAL GOVERNMENT

County hospital trustees

- Requires county hospital trustees to be representative of the areas served by the hospital.
- Removes a criterion that prohibits more than one half of the members of a board of county hospital trustees from being independents or from being members of any one political party.
- Authorizes the board of county commissioners to provide a stipend for service on the board of county hospital trustees.
- Requires a board of county hospital trustees to hold meetings at least quarterly, rather than once a month.
- Authorizes boards of county hospital trustees to adopt annual leasing policies provided through a joint purchasing arrangement sponsored by a nonprofit organization, for certain services, supplies, and equipment.
- Exempts from competitive bidding, with a unanimous vote of the board of county hospital trustees, emergency purchases that are under \$100,000 or when there is actual physical damage to structures or equipment.
- Requires a board of county hospital trustees, whenever a contract of purchase, lease, or construction is exempt from competitive bidding, to solicit at least three informal estimates when the estimated cost is \$50,000 or more, but less than \$100,000.
- Permits the board of county hospital trustees to delegate its management and control of the county hospital to the hospital administrator through a written delegation.
- Requires the board of county hospital trustees to provide for management and control of the county hospital, in addition to providing for government of, and expeditious admissions to, the hospital.

Lake Facilities Authorities

- Authorizes one or more boards of county commissioners to create a Lake Facilities Authority (LFA), a body politic and corporate, for the purpose of remediating watersheds impacted by elevated levels of microcystin.



- Creates an LFA board of directors consisting of the county commissioners of each county with territory in the "impacted lake district" – i.e., the territory of all townships and municipal corporations with territory in the impacted watershed.
- Requires the creation of an advisory council for each LFA consisting of the appointee of each political subdivision with territory in the impacted lake district, to consult with the board of directors.
- Authorizes an LFA to levy a property tax with voter approval for current expenses, debt charges, permanent improvements, and parks and recreation, not to exceed one mill.
- Authorizes an LFA to levy a lodging tax with voter approval, the rate of which may not cause the aggregate rate of lodging taxes applicable in the impacted lake district to exceed 5%.
- Authorizes an LFA to issue general obligation securities for the remediation of an impacted watershed and related permanent improvements, not to exceed one-tenth per cent of the total value of property in the impacted lake district.
- Authorizes an LFA to issue revenue bonds and anticipation bonds and notes.
- Prohibits the creation of any new special district that would overlap with an LFA district (e.g., conservancy district) if the new district would have powers or duties that are the same as the LFA's.
- Prohibits any taxing authority from levying a property tax in the territory of an LFA if the purpose of the tax is similar to the purpose of a tax that the LFA is authorized to levy.
- Authorizes the Director of Natural Resources to transfer real property to an LFA to promote wetland mitigation banking, wildlife, or sporting activities, and authorizes the Division of Wildlife to enter agreements with an LFA to establish wetland or natural areas to benefit wildlife or sporting activities.
- Requires competitive bidding for LFA construction projects in excess of \$25,000 except under certain circumstances.
- Permits, but does not require, an LFA to apply prevailing wage requirements to public improvements it undertakes or contracts for.



County recorder funding for technology needs

- Revises the proposal procedure by which, and the purposes for which, a county recorder may request funding from the board of county commissioners for imaging and other technological equipment, and associated expenses and contract services therefor, and to reserve funds for future technological equipment needs.
- Increases the maximum dollar amount of specific filing fees that the county recorder may request for funding technological equipment needs.
- Requires the board of county commissioners to approve a funding proposal if the county recorder includes in the proposal estimates of the total filing fees that will be generated for filing or recording certain instruments, and the amount of that total that will be designated for the recorder's technological equipment needs.
- Specifies that funding technological equipment needs does not diminish the duty of the board of county commissioners to provide funding for the expenses incurred by, and personnel necessary for, the county recorder to perform the recorder's duties.

Disposition of body at local government expense

- Permits a political subdivision to provide a metal grave marker, instead of a stone or concrete marker, when the political subdivision buries a body or cremated remains that are unclaimed or that an indigent person has claimed.
- Defines an indigent person as a person whose income does not exceed 150% of the federal poverty line, for purposes of the continuing requirement that a political subdivision pay to bury or cremate a body that an indigent person has claimed.

Recovery of township-owned cemetery

- Permits the company, association, or religious society that most recently owned and operated a cemetery now owned by a board of township trustees to petition a probate court to restore ownership of the cemetery to the petitioner.
- Requires the court, if the petitioner meets all applicable requirements, to transfer to the petitioner ownership of the cemetery and all necessary records and documents.
- Requires that the petitioner have the financial resources necessary to operate and maintain the cemetery, that the petitioner be in compliance with all applicable laws and rules concerning cemeteries, and that the petitioner owe no delinquent taxes.



Community reinvestment areas

- Specifies the types of amendments that, if made to a community reinvestment area (CRA) ordinance or resolution adopted before July 22, 1994, causes the CRA to lose its grandfathered status exempt from various limitations and requirements that apply to CRAs created after that date.

Tax levy for fairs and other purposes

- Allows a board of county commissioners to place on a ballot a tax levy in excess of ten mills for the purpose of operating expenses of an agricultural fair that is operated by a county or independent agricultural society.
- Allows a board of county commissioners to place on a ballot a tax levy in excess of ten mills for any combination of agricultural fairs, soil and water conservation district program funding, and the OSU Extension Fund.

Township use of joint economic development zone income tax revenue

- Authorizes municipal corporations and townships that enter into a joint economic development zone (JEDZ) contract to use income tax revenue collected pursuant to the contract for the general purposes of a township that is subject to the contract.

Allocation of lodging tax revenues by convention facilities authorities

- Authorizes the convention facilities authority (CFA) in Muskingum County to allocate a portion of lodging tax revenue (not exceeding 15% of the total revenue from the tax in the preceding year) to county and municipal tourism facilities and programs and to county fair purposes.

Use of oil and gas money for local park maintenance and acquisition

- Requires royalties and other moneys from the sale or lease of mineral rights regarding parks within township or metropolitan park districts or land within municipal parks to be deposited into special funds and used for park maintenance and acquisition of new park lands.

Township use of tax incremental financing revenue

- Authorizes townships that have, at any time, adopted a resolution exempting real property from taxation using a TIF to borrow unencumbered money in the TIF fund to pay for current public safety expenses.



Other provisions

- Permits a superintendent serving multiple county DD boards to appoint a designee to participate on a county's family and children first council.
- Requires the public children services agency (PCSA) of Butler County to establish and maintain a regional training center for training PCSA caseworkers and supervisors and related functions; eliminates the Hamilton County PCSA's duty to establish and maintain such a center; and specifies that the center established by the Butler County PCSA replaces the center previously established under existing law by the Hamilton County PCSA.
- Adds to the definition of "county expenses" that may be paid to a county office by use of a financial transaction device, payment of money confiscated during the commitment of an individual to a county jail, of bail, of money for a prisoner's inmate account, and of money for goods and services for an individual incarcerated by a county sheriff.
- Specifies, when the Treasurer of State is holding an obligation purchased from a county, township, or municipal corporation, that the county auditor, upon demand of the Treasurer, must withhold from settlement payments or advance payments of money to which the county, township, or municipal corporation is entitled, an amount sufficient to pay debt service charges on the obligation.
- Authorizes a nonchartered city to sell real estate no longer needed for city purposes to a board of county commissioners without complying with state law that otherwise requires advertising and competitive bidding.
- Clarifies the number of members that are eligible to be elected when the legislative authority of a nonchartered village adopts nonstaggered terms of office for its membership.
- Requires that the township member of the board of directors of a county land reutilization corporation be chosen by a majority of the boards of township trustees of townships having a population of at least 10,000 in the unincorporated area of the township.



County hospital trustees

(R.C. 339.02, 339.05, 339.06, and 339.07)

The bill expressly requires county hospital trustees to be representative of the areas served by the hospital.

The bill also removes criteria that prohibit more than one half of the members of a board of county hospital trustees from being independents or from being members of any one political party.

The bill authorizes, but does not require, the board of county commissioners to provide a stipend for service on the board of county hospital trustees. Under current law, county hospital trustees must serve without compensation. Continuing law, not amended by the bill, allows the trustees to be paid for the necessary and reasonable expenses incurred in the performance of their duties.

The bill requires a board of county hospital trustees to hold meetings at least quarterly. Current law requires meetings to be held at least once a month.

A board of county hospital trustees is authorized annually to adopt bidding procedures and purchasing policies for services provided through a joint purchasing arrangement sponsored by a nonprofit organization, and for supplies and equipment that are routinely used in operation of the hospital and that cost above the amount at which purchases must be competitively bid. The bill expands and restructures this provision by authorizing the annual adoption of purchasing or leasing policies provided through the joint purchasing arrangement sponsored by a nonprofit organization, for services, supplies, and equipment, that are routinely used in the operation of the hospital and that cost above the amount at which purchases must be competitively bid. If the board of county hospital trustees adopts these procedures and policies, and if the board of county commissioners approves them, the board of county hospital trustees may follow those procedures and policies rather than the competitive bidding procedures that otherwise would apply.

Under the bill, a board of county hospital trustees is exempt from competitive bidding if the board, by a unanimous vote, determines that a real and present emergency exists and the estimated cost is less than \$100,000 or there is actual physical damage to structures or equipment. The board must enter the determination of emergency and the reasons for it in the minutes of its proceedings. (For purposes of this provision, a vote is unanimous if all members of the board of county hospital trustees are present, or when not all members are present, so long as the number of members present constitutes a quorum (one half plus one).)



Whenever a contract of purchase, lease, or construction is exempted from competitive bidding because the estimated cost is less than \$100,000, but is \$50,000 or more, the board must solicit informal estimates before the contract is awarded from not fewer than three persons who could perform the contract. The board must maintain a record of the informal estimates, including the name of each person from whom an informal estimate was solicited, for the longer of at least one year after the contract is awarded or an amount of time required by the federal government.

The bill authorizes the board of county hospital trustees to delegate its management and control of the county hospital to the hospital administrator through a written delegation. The bill also specifies that the board must establish rules for the hospital's management and control, in addition to rules for the hospital's government and for the expedient admission of persons.

Lake Facilities Authority

(R.C. 353.01 to 353.16, 5705.55, and 5739.026 with conforming changes in R.C. 133.01, 135.80, 309.09, 5705.01, and 5709.19)

Authorization and creation

(R.C. 353.01 and 353.02)

The bill authorizes one or more boards of county commissioners of one or more counties that contain property in an "impacted watershed" to create by resolution a Lake Facilities Authority (LFA or Joint LFA) to rehabilitate, improve, or promote the watershed. The resolution must contain a finding that the watershed is an "impacted watershed." An impacted watershed is one that contains territory in a state park that has averaged at least 400,000 visitors per year for the four calendar years immediately preceding the year in which the last resolution is adopted and contains a natural or man-made lake of at least one-half square mile that, within the last two years, has experienced levels of microcystin toxins in excess of 80 ppb, as measured by the Ohio EPA.¹⁶⁸

Within 60 days after the creation of an LFA, the county engineer of each county with territory in the impacted watershed is required to prepare a survey denoting the impacted watershed's boundaries in the county. (The territory of a watershed is

¹⁶⁸ Microcystin toxins are released by microcystis, or cyanobacterium, which are single-celled blue green alga that occur naturally in surface waters. Microcystis can proliferate to form dense blooms and mats under certain conditions. Ingestion of water or algal cells containing microcystin has produced adverse effects in fish, dogs, cats, livestock and humans. See State of California, Office of Health Hazard Assessment, <http://oehha.ca.gov>.

determined by the U.S. Geological Survey.) The cost of the survey may be paid by the LFA if requested by all county engineers conducting the survey. Each participating county may advance funds to the LFA for that purpose.

Once an LFA is created, no special district with powers or duties similar to the LFA's may be created if the district would include territory in the "impacted lake district," which is defined to mean the territory of all townships and municipal corporations with any territory in the impacted watershed.

Governance and regulation

(R.C. 353.04)

An LFA is governed by a board of directors, consisting of the county commissioners of each county with territory in the impacted lake district. Its fiscal officer and legal advisor are the county auditor and county prosecutor, respectively, of the county with the greatest amount of territory in the impacted watershed. The county prosecutor is required to prosecute and defend all suits and actions the LFA directs or to which the LFA is a party.

The LFA board is subject to open meetings and public records laws. The board may hold closed meetings and protect confidential information under the same circumstances as authorized for a community improvement corporation under R.C. 1724.11 (generally, financial or proprietary information submitted by a business in relation to the relocation or expansion of the business is confidential). Laws regarding sovereign immunity for public employees apply to the LFA.

The board is required to consult with an advisory council, consisting of one appointee from each political subdivision with territory in the impacted lake district. The board must provide notice of the LFA's existence and the process for the appointment of an advisory council to each such political subdivision within 60 days after the LFA's creation.

Each year, the board is required to prepare an annual report of its activities and make it available to the public.

General powers

(R.C. 353.03)

In addition to the authority to incur and pay the costs of activities that remediate, rehabilitate, enhance, foster, aid, improve, provide, or promote an impacted watershed, the bill grants the following general powers to an LFA. The LFA may:



- Acquire, improve, or sell real and personal property;
- Adopt and enforce reasonable rules governing impacted watersheds;
- Employ managers, administrative officers, agents, engineers, architects, attorneys, contractors, sub-contractors, and employees, and require bonds to be given by any such persons and by officers of the authority for the faithful performance of their duties;
- Sue and be sued;
- Make and enter into contracts and agreements and execute instruments (see "**Construction contracts; prevailing wage**");
- Accept aid or contributions;
- Apply for and accept grants, loans, or commitments of guarantee or insurance, including any guarantees of its bonds and notes;
- Procure insurance;
- Maintain funds or reserves as it considers necessary for the efficient performance of its duties;
- Enforce any covenants running with the land, of which the lake facilities authority is the beneficiary;
- Appropriate land, easements, rights, rights-of-way, franchises, or other property in the impacted watershed;
- Issue general obligation bonds or notes for the remediation of an impacted watershed if approved by electors residing in the impacted lake district, not to exceed one mill per dollar of taxable value (0.1%) of all property within the impacted lake district;
- Issue revenue bonds beyond the limit of bonded indebtedness provided by law (see "**LFA revenue bonds**");
- Advise and provide input to political subdivisions within the impacted lake district with respect to zoning and land use planning within the impacted lake district;
- Enter into agreements for the management, ownership, possession, or control of lands to be used for wetland mitigation banking;



Construction contracts; prevailing wage

(R.C. 353.03(F))

With respect to contracts for the construction of buildings, structures, or other improvements exceeding \$25,000, the LFA is required to use a competitive bidding process and to select the lowest responsive and responsible bidder, who must be determined in accordance with a general law governing the factors to be applied in determining responsive and responsible bids (R.C. 9.312). In certain circumstances, the board may decline to use the competitive bidding process:

- There exists a real and present emergency that threatens damage to property or injury to persons of the lake facilities authority or other persons.
- A commonly recognized industry or other standard or specification does not exist and cannot objectively be articulated for the improvement.
- The contract is for any energy conservation measure.
- With respect to material to be incorporated into the improvement, only a single source or supplier exists.
- A single bid is received.

With respect to any construction contract, the LFA may choose to subject the project to prevailing wage requirements.

LFA revenue sources

In addition to issuing general obligation bonds (see "**General powers**"), the bill authorizes an LFA to generate revenue by means of a property tax, lodging tax, revenue bonds, and anticipation bonds and notes. In addition, a county is authorized to levy any unused sales tax authority or re-designate the purpose of a sales and use tax it currently levies to provide funds to an LFA.

Property tax

(R.C. 353.05 and 5705.55)

The LFA board of directors, by vote of two-thirds of all its members, may propose the levy of a property tax in the impacted lake district. The tax must be approved by impacted lake district electors. The tax may be levied for current expenses, permanent improvements, debt charges, or park and recreation purposes. The tax rate may not exceed one mill per dollar of taxable value (0.10%). The levy's duration may



not exceed five years unless the tax is levied for debt purposes, in which case it must be levied for the duration of the bond indebtedness. The resolution proposing the tax must be certified by the LFA to the county board of elections at least 90 days before the election. Ongoing law regarding the submission of a property tax to voters applies to the LFA tax.

If an LFA levies a property tax for a tax year, no other taxing authority may levy a tax on property in the impacted lake district in the same year if the purpose of the levy is "substantially the same as" the purpose for which the LFA was created. (The bill does not address how this would be determined or by whom.)

LFA lodging tax

(R.C. 353.06)

The resolution creating the LFA may authorize it to levy a lodging tax in the impacted lake district with voter approval. The tax would apply to all transactions by which lodging in a hotel is furnished to transient guests. The tax may be levied to pay the cost of permanent improvements, to pay debt charges on LFA tax anticipation bonds, or for LFA current expenses. The rate of the tax, when added to the aggregate rate of all other lodging taxes applicable in the impacted lake district, may not cause the total aggregate rate to exceed 5%.

Anticipation bonds and notes

(R.C. 353.08)

The bill authorizes an LFA that levies a property tax or lodging tax to anticipate the proceeds of the tax by issuing anticipation bonds. In anticipation of the bond proceeds, the LFA also may issue anticipation notes. The notes appear required to mature not later than 20 years after their issuance, and the bonds appear required to mature not later than 40 years after issuance. Bond proceeds are to be pledged to the payment of the notes, and proceeds from the tax are to be pledged to the payment of the bonds. The bill states that the anticipation bonds and notes satisfy the Constitution's "sinking fund" requirement that prohibits debt issuance unless a tax is levied sufficient to meet ongoing debt charges.

LFA revenue bonds

(R.C. 353.09 to 353.16)

The bill authorizes an LFA to issue revenue bonds in such amounts as the LFA considers necessary. The bonds are to be paid out of the revenues of the LFA that are pledged for such payment. The LFA may retire revenue bonds with revenue refunding



bonds. Revenue bonds issued in the form of a note must mature within five years after issuance, and bonds must mature not later than 45 years from the date of issuance. The bonds may be sold at a public auction or through a private sale. The bonds and notes do not constitute a debt, or a pledge of the full faith and credit, of the state or any political subdivision.

Wetland mitigation banking

(R.C. 353.07)

The bill authorizes the Director of Natural Resources to transfer real property owned by the state to an LFA for the purpose of promoting wetland banking, wildlife, or sporting activities. Also, the Division of Wildlife within the Department of Natural Resources may enter into an agreement with an LFA to establish wetland or natural areas to benefit wildlife or sporting activities.

County recorder funding for technology needs

(R.C. 305.23, 317.32, and 317.321; Section 803.150)

The bill revises the proposal procedure by which, and the purposes for which, a county recorder may request funding from the board of county commissioners for the recorder's technological equipment needs. The bill also increases the maximum dollar amount of specific filing fees that the county recorder may request for funding technology needs.

Current law funding of equipment needs

Current law authorizes the county recorder to submit to the board of county commissioners a proposal for funds for the acquisition or maintenance of micrographic or other equipment or for contract services, or a proposal to reserve funds for the office's future equipment needs. The proposal may request that an amount not to exceed \$7 of the following fees be placed in the county treasury and designated as general fund moneys to supplement the equipment needs of the county recorder: (1) the fee collected for filing or recording an instrument, except for the type of instrument designated in (2), if the photocopy or any similar process is employed,¹⁶⁹ (2) the fee for recording and indexing a transfer, conveyance, or assignment of tangible or intangible personal property, or rights or interests therein, if the photocopy or any similar process

¹⁶⁹ A base fee of \$14 and a Housing Trust Fund fee of \$14 are charged for the first two pages, and a base fee of \$4 and a Housing Trust Fund fee of \$4 are charged for each subsequent page.



is employed,¹⁷⁰ (3) the fee for filing a financing statement to perfect a security interest or an agricultural lien,¹⁷¹ and (4) various fees for recording an assortment of instruments regarding registered land.¹⁷²

A proposal may be for a term not to exceed five years. The board of county commissioners may approve, reject, or modify a proposal for the acquisition or maintenance of micrographic or other equipment or for contract services, but must approve a proposal to reserve funds for the office's future equipment needs. Any funding approved by the board is placed in the county treasury and designated as general fund moneys to supplement the equipment needs of the county recorder.

Funding of equipment needs under the bill

Under the bill, a county recorder may submit to the board of county commissioners a proposal for funding either or both of the following:

- (1) The acquisition and maintenance of imaging and other technological equipment, and associated expenses and contract services therefor;
- (2) To reserve funds for the office's future technology needs.

The county recorder may submit a proposal yearly, and regardless of which purpose (or for all of the purposes) for which the proposal is submitted, the board of county commissioners must approve the proposal if the county recorder includes in the proposal estimates of the total fees that will be collected for filing or recording the various instruments described above, and the amount of those total fees that will be credited to the special fund designated as general fund moneys to supplement the technology needs of the county recorder. (The estimates are already required by existing law to be in a proposal.)

The bill increases from an amount not to exceed \$7 to an amount not to exceed \$8 the amount of the fees described above that the county recorder may request in the proposal. The amount is to be placed in the county treasury to the credit of the special fund designated as general fund moneys to supplement the technology needs of the county recorder, for a period of one year from the date the proposal is approved.

¹⁷⁰ A fee of \$28 for the first two pages and a fee of \$8 for each subsequent page are charged and deposited into the special fund designated as general fund moneys to supplement the equipment needs of the county recorder.

¹⁷¹ A fee of \$20 is charged for responding to a request for information about a financing statement naming a particular debtor, or a \$5 fee if the request is less particular.

¹⁷² The fees range from \$5 to \$30.



Timing of proposals

The bill requires that a proposal approved by a board of county commissioners before the bill's effective date continues in effect for the number of years approved by the board. The special fund for the county recorder's equipment needs ceases to exist upon the expiration of the proposal.

Funding to perform county recorder's duties

The bill specifies that funding for the acquisition and maintenance of imaging and other technological equipment, and associated expenses and contract services therefor, and to reserve funds for the office's future technology needs does not diminish the duty of the board of county commissioners to provide funding for the expenses incurred by, and personnel necessary for, the county recorder to perform the duties of the recorder's office.

Disposition of body at local government expense

(R.C. 9.15)

Under the bill, when a political subdivision buries a body or cremated remains that are unclaimed or that an indigent person has claimed, that subdivision may provide a metal grave marker, instead of a stone or concrete marker, as required under current law.

Further, for the purposes of the law that requires a political subdivision to pay to bury or cremate a body that an indigent person has claimed, the bill defines an indigent person as a person whose income does not exceed 150% of the federal poverty line. The statute currently does not define "indigent."

Continuing law requires that when a body is unclaimed or is claimed by an indigent person, the township or municipality in which the deceased had a legal residence at the time of death must pay to bury or cremate the body and provide a grave marker. However, the county in which the body was found must cover those costs if the deceased had no legal residence in the state, had an unknown residence, was an inmate of a correctional institution in the county, or was a patient or resident of a benevolent institution in the county.

Recovery of township-owned cemetery

(R.C. 517.271)

Under the bill, after a board of township trustees takes ownership of a cemetery, the company, association, or religious society that most recently owned and operated



the cemetery may petition the county probate court to restore ownership of the cemetery to the petitioner. In order to grant the petitioner's request, the court must determine that:

(1) The petitioner has the financial resources necessary to operate and maintain the cemetery;

(2) The petitioner is in compliance with all applicable laws and administrative rules concerning the owners and operators of cemeteries, including registration with the Division of Real Estate in the Department of Commerce; and

(3) The petitioner owes no delinquent taxes.

If the court finds that the petitioner has met all those conditions, the court must transfer the ownership of the cemetery to the petitioner and must order the board of township trustees to give the petitioner all necessary records and documents concerning the cemetery, including records of the board's sale of any lots.

Existing law prohibits a board of township trustees from conveying a cemetery to another entity without first discontinuing the cemetery and removing the remains and grave markers.

Continuing law requires a board of township trustees to accept ownership of and maintain any cemetery that is located outside a municipality and that is not currently under the ownership or care of a private entity. As a result, when a private entity loses its title to a cemetery because of legal proceedings or other circumstances, the board may become responsible for the cemetery.

Rules application for grandfathered community reinvestment areas

(R.C. 3735.661; Section 757.40)

Under continuing law, a community reinvestment area (CRA) is a geographic area designated by a municipal corporation or county in which real property improvements are exempted from taxation. The bill retroactively specifies the types of amendments that, if made to a CRA ordinance or resolution adopted before July 22, 1994, cause the CRA to have to comply with statutory limitations and requirements that took effect on that date as enacted by S.B. 19 of the 120th General Assembly.

S.B. 19 changed the requirements for a CRA ordinance or resolution adopted on or after July 22, 1994, including, for example, adding additional procedural requirements, authorizing the grant of less than 100% exemptions, and giving more power to school boards to object to the terms of tax exemptions. S.B. 19 applied to



grandfathered CRA ordinances and resolutions, but only after the grandfathered CRA ordinance or resolution had been amended beyond two amendments. S.B. 19 did not specify the substance of amendments that would or would not be considered an amendment that would cause the CRA to become subject to S.B. 19's requirements beyond providing that any amendment that extended the term of the grandfathered CRA could not extend the term in excess of five years.¹⁷³

The bill specifies that only amendments that do or did any of the following serve to trigger a requirement that a grandfathered CRA ordinance or resolution comply with S.B. 19:

- (1) Expands the size of a CRA;
- (2) Increases the exempt percentage of assessed value of CRA property (but see "**Exempt percentage of assessed value**," below);
- (3) Increases the term of a tax exemption;
- (4) Increases the duration of a CRA; or
- (5) Changes eligibility requirements for receiving tax exemptions.

Conversely, only amendments that do or did any of the following would not trigger a requirement that a grandfathered CRA ordinance or resolution comply with S.B. 19's additional requirements:

- (1) Decreases the size of a CRA;
- (2) Decreases the exempt percentage of assessed value of CRA property (but see "**Exempt percentage of assessed value**," below);
- (3) Decreases the term of a tax exemption;
- (4) Shortens the time after which an exemption may be terminated;
- (5) Recognizes or confirms the continued existence of a CRA or tax exemption;
- (6) Clarifies defects or ambiguities; or
- (7) Makes procedural or administrative changes.

¹⁷³ See Section 3 of Am. Sub. S.B. 19 of the 120th General Assembly.



The bill states that the purpose of specifying the foregoing is to clarify the intent of the General Assembly at the time of the enactment of S.B. 19. The bill applies retroactively to amendments to a grandfathered CRA ordinance or resolution adopted before or after the effective date of the bill.

Exempt percentage of assessed value

The bill additionally specifies that it does not authorize a municipal corporation to decrease or increase the percentage of assessed value of grandfathered CRA property to be tax-exempt. Under continuing law, municipal corporations and counties were and are allowed to exempt only 100% of the increased assessed value of improved real property located in a grandfathered CRA.

Tax levy for fairs and other purposes

(R.C. 5705.19)

The bill authorizes a board of county commissioners to place on a ballot a tax levy in excess of ten mills for operating expenses of an agricultural fair that is operated by a county or independent agricultural society. It retains existing law that allows a board of county commissioners to place on a ballot a tax levy in excess of ten mills for the purpose of purchasing, maintaining, or improving, or any combination, real estate on which to hold a fair.

The bill also allows a board of county commissioners to place on a ballot a tax levy in excess of ten mills for any combination of agricultural fairs, soil and water conservation district program funding, and the OSU Extension Fund.

Township use of joint economic development zone income tax revenue

(R.C. 715.691)

The bill authorizes municipal corporations and townships that enter into a joint economic development zone (JEDZ) contract to use income tax revenue collected pursuant to the contract for the general purposes of a township that is subject to the contract.

Under continuing law, municipal corporations and townships may enter into a contractual agreement establishing a JEDZ and authorizing a board of directors to levy an income tax within the JEDZ that applies to persons working in the zone and business operating there. The income tax must be approved by the majority of electors within the JEDZ (unless a majority of electors petition otherwise) and the rate must be less than or equal to the highest rate being levied by a municipal corporation that is a party to the JEDZ contract.



Current law requires that all proceeds of the income tax be utilized for the purpose of the JEDZ or for the purposes of the municipal corporations that are parties to the JEDZ.

Allocation of lodging tax revenues by convention facilities authorities

(R.C. 351.021)

The bill expands the purposes for which convention facilities authorities (CFAs) may allocate lodging tax revenue if located in a county with a population between 80,000 and 90,000 according to the 2010 Census (i.e., Muskingum County).

Continuing law authorizes counties to create CFAs with the authority to administer convention, entertainment, or sports facilities located within their respective territories. Under certain circumstances, a CFA is authorized to levy a lodging tax of up to 4%. In lieu of, or in addition to, this tax, an authority may levy a lodging tax of up to 0.9% in an overlapping municipal corporation that levies a city lodging tax. The authority to levy such a tax has been extended several times on a limited basis to CFAs in qualifying counties over relatively short periods of time.

Under current law, CFAs that levy a lodging tax are required to use the revenue to pay the cost of one or more convention facilities, the principal, interest, and premium on bonds issued by the CFA to pay those costs, the operating and maintenance costs of convention facilities, and the operating costs of the CFA. The bill empowers the Muskingum County CFA to allocate a portion of lodging tax revenue (not exceeding 15% of the total revenue from the tax in the preceding year) to county and municipal tourism facilities and programs, the improvement and maintenance of county fairgrounds, and any other purpose connected with the use of a county fairground.

Use of oil and gas money for local park maintenance and acquisition

(R.C. 511.261, 755.06, and 1545.23)

The bill requires royalties and other moneys resulting from the sale or lease of mineral rights regarding a park within a township or metropolitan park district or land within a municipal park to be deposited into a special fund that must be created by the board of park commissioners or municipal legislative authority, as applicable, and used only for park maintenance and acquisition of new park lands.



Township use of TIF revenue for public safety expenses

(R.C. 5709.75)

The bill authorizes townships that have, at any time, adopted a resolution exempting real property from taxation using a TIF to use unencumbered money in the TIF fund to pay for current public safety expenses. Continuing law requires the township to reimburse the fund by the time the TIF exemptions expire (TIF exemptions may last up to 30 years). The township must also be a party to a "hold harmless" agreement wherein the board of trustees agrees to compensate a school district for 100% of the tax revenue the district would have received from the tax-exempt improvements to parcels designated in the resolution.

Under current law, the authority of a township to utilize unencumbered TIF funds for public safety expenses applies only to TIFs wherein the township exempted real property from taxation before January 1, 1995. In all other TIFs, money in a TIF fund (which originates from payments in lieu of taxes by property owners) is used to pay for public infrastructure and, in some cases, to compensate school districts or other taxing units.

County family and children first council membership

(R.C. 121.37 and 5126.0219 (not in the bill))

County family and children first councils help families seeking government services to streamline and coordinate existing government services. Each county council is comprised of certain mandatory members, as well as other representatives invited by the board of county commissioners. One of the mandatory members is the superintendent of the county DD board.

A superintendent of a county DD board may serve as the superintendent of more than one county DD board pursuant to an agreement entered into between county DD boards. When a superintendent serves as the superintendent for multiple counties, the bill permits the superintendent to appoint a designee to participate on the county council.

Regional Training Center – Butler County PCSA

(R.C. 5103.42)

Under existing law, prior to the beginning of the fiscal biennium that first followed October 5, 2000, the public children services agencies (PCSAs) of Athens, Cuyahoga, Franklin, Greene, Guernsey, Hamilton, Lucas, and Summit counties were



each required to establish and maintain a regional training center. At any time after the beginning of the specified biennium, the Department of Job and Family Services (ODJFS), on the recommendation of the Ohio Child Welfare Training Program Steering Committee, may direct a PCSA to establish and maintain a training center to replace a center established by a PCSA under the requirement described above. There may be no more and no less than eight centers in existence at any time. ODJFS may make a grant to a PCSA that establishes and maintains one of the regional training centers for the purpose of wholly or partially subsidizing the operation of the center. ODJFS must specify in the grant all of the center's duties, including the duties described in the second succeeding paragraph.

The bill requires the Butler County PCSA, prior to the beginning of the fiscal biennium that first follows the effective date of the bill's provisions enacting the requirement, to establish and maintain a regional training center for training caseworkers and supervisors of PCSAs and related functions. It eliminates the duty of the Hamilton County PCSA to establish and maintain such a center and specifies that the center established by the Butler County PCSA replaces the center previously established under existing law by the Hamilton County PCSA.

R.C. 5103.422, not in the bill, specifies that a regional training center's responsibilities include: (1) securing facilities suitable for training provided under the Ohio Child Welfare Training Program established by ODJFS under R.C. 5103.30, (2) providing administrative services and paying administrative costs related to the training, (3) maintaining a database of the data contained in the individual training needs assessments for each PCSA caseworker and PCSA caseworker supervisor employed by a PCSA located in the center's training region, (4) analyzing training needs of PCSA caseworkers and PCSA caseworker supervisors employed by a PCSA located in the center's training region, and (5) coordinating training at the center with the Ohio Child Welfare Training Program Coordinator. R.C. 5103.41, not in the bill, required ODJFS, prior to the beginning of the fiscal biennium that first followed October 5, 2000, and in consultation with the Ohio Child Welfare Training Program Steering Committee, to designate eight training regions in the state. ODJFS and the Committee, at times they select, must review the training regions' composition. ODJFS may change the training regions' composition as it considers necessary. Each training region may contain only one regional training center.

County expenses eligible for payment by financial transaction devices

(R.C. 301.28)

The bill adds to the definition of "county expenses" that may be paid to a county office by use of a financial transaction device, payment of money confiscated during the



commitment of an individual to a county jail, of bail, of money for a prisoner's inmate account, and of money for goods and services obtained by or for the use of an individual incarcerated by a county sheriff. Continuing law not changed by the bill allows, but does not require, a board of county commissioners to adopt a resolution authorizing county officials and their offices (which includes the county sheriff) designated in the resolution to accept payments of "county expenses" by using a financial transaction device. The resolution must specify the county expenses that may be paid for through the use of such a device.

Withholding funds to pay debt service charges

(R.C. 321.35)

Under the bill, when the Treasurer of State is holding an obligation purchased from a county, township, or municipal corporation, the county auditor, upon demand of the Treasurer, must withhold from settlement payments of proceeds from any special tax levy or from advance payments of money in the county treasury to which the county, township, or municipal corporation is entitled, an amount sufficient to pay debt service charges on the obligation and any of the fee for the agreement to purchase the obligation. Existing law authorizes political subdivisions to issue obligations that mature in one year, and the Treasurer of State may enter into agreements to invest state interim funds in those obligations.¹⁷⁴ Under existing law, the county auditor already may withhold school district funds for these purposes.

Sale of city real property to board of county commissioners

(R.C. 721.01, 721.03, and 721.27)

The bill authorizes the legislative authority of a nonchartered city to sell real estate belonging to the city that is no longer needed for city purposes to a board of county commissioners without complying with a law that otherwise requires advertising and competitive bidding. The sale must be made upon such lawful terms as are agreed upon between the city and the board, but no sale may be made unless the contract for the sale is authorized by ordinance, approved by a two-thirds vote of the members of the city's legislative authority, and by the board or officer having supervision or management of the real estate. Under case law, this provision appears also to apply to a chartered city if its charter fails to address procedures for conveying real estate, but that presumption is inconclusive.¹⁷⁵

¹⁷⁴ R.C. 135.143, not in the bill.

¹⁷⁵ See *Great Plains Exploration, LLC v. City of Willoughby*, 2006 Ohio 7009 (11th App. Dist. 2006).



Legislative authority of nonchartered village – nonstaggered terms

(R.C. 731.091)

The bill clarifies the number of members that are eligible to be elected when the legislative authority of a nonchartered village adopts nonstaggered terms of office. Under continuing law, the members of the legislative authority of a nonchartered village are elected to staggered terms of office of four years. But the legislative authority of a nonchartered village may adopt an ordinance or resolution to eliminate staggered terms. Members then are to be elected to nonstaggered terms beginning at the next regular municipal election occurring not less than 90 days after the ordinance or resolution is certified to the board of elections. The bill clarifies this law as follows:

(1) If the legislative authority has six members, the bill specifies that the number of members eligible for election at the next regular municipal election are to be elected to two-year nonstaggered terms. Then, at all subsequent municipal elections, all members are to be elected to four-year nonstaggered terms. The result is six members serving four-year nonstaggered terms.

(2) If the legislative authority has five members, the bill specifies that if members are first being elected after the reduction to five members, then one less than the number of members that otherwise would be eligible for election at the next regular municipal election are to be elected to two-year nonstaggered terms. If, however, the number of members eligible for election at the next regular municipal election previously has been reduced to five, then the number of members eligible for election at that regular municipal election are to be elected to two-year nonstaggered terms. In either case, all members are to be elected at subsequent municipal elections to four-year nonstaggered terms. The result is five members serving four-year nonstaggered terms.

Current law assumes that three members of the legislative authority of a nonchartered village are elected at each regular municipal election. This does not appear to be the case, however, which is why the bill instead refers generally to "the number of members eligible for election." It appears that sometimes as few as two or as many as four members are to be elected.

This provision takes effect immediately when the bill becomes law.

Township member of county land reutilization board

(R.C. 1724.03)

The bill requires that the township member of the board of directors of a county land reutilization corporation be chosen by a majority of the boards of township



trustees of townships having a population of at least 10,000 in the unincorporated area of the township, according to the most recent federal decennial census. Under continuing law, the board of directors of a county land reutilization corporation is composed of five, seven, or nine members, including one representative of a township with a population of at least 10,000 in the unincorporated area of the township, if at least two such townships exist in the county.

