- Permits a political subdivision to enter into a sale and leaseback agreement under which the legislative authority conveys a building to a purchaser who must lease all or portions of the building back to the legislative authority.

- Requires the agreement to obligate the lessor to make public improvements to the building.

- Authorizes a board of township trustees, by resolution, to authorize the acceptance of payments for township expenses by financial transaction devices, and specifies procedures for implementing a program to accept these payments.

- Allows a township to contract with any department, agency, or political subdivision for the purchase or sale of a motor vehicle.

- Authorizes a board of township trustees to purchase real or personal property at public auction through a designee.

- Removes the population necessary for a county to adopt and implement the procedures for the effective reutilization of nonproductive land through a county land reutilization corporation.

- Extends the time during which local governments may enter enterprise zone agreements with businesses by two years, to October 15, 2017.

- Increases the competitive bidding limit for conservancy district contracts for improvements from $25,000 to $50,000.

Report of traffic camera penalties; LGF reductions

- Requires any local authority that has operated a traffic camera between March 23, 2015, and June 30, 2015, to file either of the following with the Auditor of State on or before July 31, 2015:

  --If the local authority has complied with the traffic camera law, a statement of compliance with the traffic camera law; or

  --If the local authority has not complied with the traffic camera law, a report including the civil fines the local authority has billed to drivers for any violation that is based upon evidence recorded by a traffic camera.

- Requires any local authority that operates a traffic camera to submit a report or statement of compliance, as discussed above, to the Auditor of State every three

months beginning with the three-month period that commences July 1, 2015, and ends September 30, 2015.

- Suspends Local Government Fund (LGF) payments to a subdivision that fails to comply with the reporting requirements.
- Reduces LGF payments to a subdivision reporting fines by the amount of such fines and redistributes that amount among other subdivisions in the county.

Political subdivision sale and leaseback agreement

(R.C. 9.483)

Notwithstanding contrary statutory limitations, the bill permits a political subdivision to enter into a sale and leaseback agreement under which the legislative authority agrees to convey a building owned by the political subdivision to a purchaser who is obligated, immediately upon closing, to lease all or portions of the building back to the legislative authority. The sale and leaseback agreement must obligate the lessor to make public improvements to all or portions of the building subject to the lease, including renovations, energy conservation measures, and other measures that are necessary to improve the functionality and reduce the operating costs of the portions of the building that are subject to the lease.

Townships acceptance of payments by financial transaction device

(R.C. 503.55)

The bill authorizes a board of township trustees to adopt a resolution authorizing the acceptance of payments by financial transaction devices for township expenses. The resolution must include the following:

(1) A specification of those township offices that are authorized to accept payments by financial transaction devices;

(2) A list of township expenses that may be paid for through the use of a financial transaction device;

(3) Specific identification of financial transaction devices that the board authorizes as acceptable means of payment for township expenses; however, uniform acceptance of financial transaction devices among different types of township expenses is not required;

(4) The amount, if any, authorized as a surcharge or convenience fee for persons using a financial transaction device; however, uniform application of surcharges or convenience fees among different types of township expenses is not required;

(5) A specific provision requiring the payment of a penalty if a payment made by means of a financial transaction device is returned or dishonored for any reason; and

(6) A provision designating the township fiscal officer as an administrative agent to solicit proposals from financial institutions, issuers of financial transaction devices, and processors of financial transaction devices, to make recommendations about those proposals to the board, and to assist township offices in implementing the township's financial transaction devices program. The solicitation of proposals must be within guidelines established by the board in the resolution and in compliance with the procedures described below.

Procedures for soliciting proposals

The township fiscal officer must request proposals from financial institutions, issuers of financial transaction devices, or processors of financial transaction devices, as appropriate in accordance with the resolution. Upon receiving the proposals, the fiscal officer must review them and make a recommendation to the board of trustees on which proposals to accept. The board of trustees must consider the fiscal officer's recommendation and review all proposals submitted, and then may choose to contract with any or all of the entities that have submitted proposals, as appropriate. The board of trustees must provide any financial institution, issuer, or processor that submitted a proposal, but with which the board does not enter into a contract, notice that its proposal is rejected. The notice must state the reasons for the rejection, indicate whose proposals were accepted, and provide a copy of the terms and conditions of the successful bids.

Posting the resolution

The board of township trustees must post a copy of the adopted resolution in each township office accepting payment by a financial transaction device. Each township office that is permitted by the resolution to accept the payments may use only the financial institutions, issuers of financial transaction devices, and processors of financial transaction devices with which the board of township trustees contracts, and each such office is subject to the terms of those contracts.

Convenience fee

A board of township trustees may establish a surcharge or convenience fee that may be imposed upon a person making payment by a financial transaction device. The

surcharge or convenience fee may not be imposed unless authorized or otherwise permitted by the rules prescribed by an agreement governing the use and acceptance of the financial transaction device. But, if a surcharge or convenience fee is imposed, every township office accepting payment by a financial transaction device must clearly post a notice in that office, and must notify each person making a payment by such a device, about the surcharge or fee. This notice must be provided regardless of the medium used to make the payment and in a manner appropriate to that medium. Each notice must include all of the following:

(1) A statement that there is a surcharge or convenience fee for using a financial transaction device;

(2) The total amount of the charge or fee expressed in dollars and cents for each transaction, or the rate of the charge or fee expressed as a percentage of the total amount of the transaction, whichever applies; and

(3) A clear statement that the surcharge or convenience fee is nonrefundable.

If a person elects to make a payment to the township by a financial transaction device and a surcharge or convenience fee is imposed, the payment of the surcharge or fee must be considered voluntary. The surcharge or convenience fee is not refundable.

Insufficient funds and liability

If a person makes payment by financial transaction device and the payment is returned or dishonored for any reason, the person is liable for a penalty over and above the amount of the payment due. The board of township trustees must determine the amount of the penalty to be assessed. The penalty may be a fee not to exceed $20 or payment of the amount necessary to reimburse the township for banking charges, legal fees, or other expenses incurred by the township in collecting the returned or dishonored payment.

The remedies and procedures described above are in addition to any other available civil or criminal remedies provided by law.

No person making any payment by financial transaction device to a township office may be relieved from liability for the underlying obligation except to the extent the township realizes final payment of the underlying obligation in cash or its equivalent. If final payment is not made by the financial transaction device issuer or other guarantor of payment in the transaction, the underlying obligation survives and the township retains all remedies for enforcement that would have applied if the transaction had not occurred.

A township official or employee who accepts a financial transaction device payment in accordance with the procedures described above and any applicable state or local policies or rules is immune from personal liability for final collection of the payment.

Township sale of motor vehicle

(R.C. 505.101)

The bill allows a township to contract with any department, agency, or political subdivision for the purchase or sale of a motor vehicle. Currently, a township's only means of selling a motor vehicle, if the fair market value of a motor vehicle exceeds $2,500, is by public auction or sealed bid process.

Township purchases at public auction through a designee

(R.C. 505.1010)

The bill authorizes a board of township trustees to purchase real or personal property at public auction by adopting a resolution to designate an individual, officer, or employee to represent the board and tender bids at the auction. Purchases are subject to a maximum purchase price established by resolution of the board or by an appraisal obtained before the auction and approved by the board of township trustees. Purchases must comply with current law's requirement for expenditures to have a certificate of available funds signed by the township's fiscal officer; the certificate indicates that the amount of money required for the purchase has been lawfully appropriated for the purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

County land reutilization corporations

(R.C. 1724.04)

The bill removes the current population threshold necessary for a county to adopt and implement the procedures for the effective reutilization of nonproductive land through a county land reutilization corporation (CLRC). Current law allows any county having a population of more than 60,000 as of the most recent decennial census to elect to organize a county land reutilization corporation for that purpose. A CLRC's purpose under continuing law generally, is, to return blighted properties in the county to productive use. As part of that purpose, CLRCs may administer a land bank program whereby it acquires (without paying) tax-foreclosed properties that failed to sell at the sheriff's sale, clears or rehabilitates the property, and attempts to sell it to pay the delinquent taxes and other costs and return the property to productive use.

Under the bill, there would be no population threshold; any county of any population would be allowed to create a CLRC.

Enterprise zone agreement extension

(R.C. 5709.62, 5709.63, and 5709.632)

Under continuing law, counties and municipal corporations may designate areas within the county or municipal corporation as "enterprise zones." After designating an area as an enterprise zone, the county or municipal corporation must petition the Director of Development Services for certification of the designated enterprise zone. If the Director certifies a designated enterprise zone, the county or municipal corporation may then enter into enterprise zone agreements with businesses for the purpose of fostering economic development in the enterprise zone. Under an enterprise zone agreement, the business agrees to establish or expand within the enterprise zone or to relocate its operations to the zone in exchange for property tax exemptions and other incentives.

Current law authorizes local governments to enter into enterprise zone agreements through October 15, 2015. The bill extends the time during which local governments may enter into these agreements to October 15, 2017.

Competitive bidding threshold for conservancy districts

(R.C. 6101.16)

The bill increases the limit above which contracts for improvements of a conservancy district must be competitively bid. If the contract amount will exceed $50,000, instead of the current limit of $25,000, bids must be advertised as provided in current law, and the contract generally must be awarded to the lowest responsive and most responsible bidder under continuing law.

Report of traffic camera penalties

(R.C. 4511.0915)

The bill specifies that on or before July 31, 2015, any local authority that has operated a traffic law photo-monitoring device ("traffic camera") between March 23, 2015, and June 30, 2015, must file either a report or statement of compliance with the Auditor of State as follows:

(1) If the local authority operated any traffic camera during the specified period without fully complying with the traffic camera law, the local authority must file a report that includes a detailed statement of the civil fines that the local authority has

billed to drivers for any violation of any municipal ordinance that is based upon evidence recorded by a traffic camera, including the gross amount of fines that have been billed.

(2) If the local authority has fully complied with the traffic camera law during the specified period, in lieu of a report, the local authority must submit a signed statement affirming compliance with all requirements of the traffic camera law.

Additionally, under the bill, beginning with the three-month period that commences July 1, 2015, and ends September 30, 2015, and for each three-month period thereafter, during which a local authority has operated a traffic law photo-monitoring device, the local authority must file either a report or a signed statement of compliance with the Auditor of State in the same manner as described above. The local authority must file the report or statement not later than 30 days after the end of the three-month period.

The Auditor of State must immediately forward a copy of each report or signed statement of compliance to the Tax Commissioner for purposes of calculating Local Government Fund (LGF) payments (see "**LGF adjustments**," below) and must notify the Commissioner about each subdivision that was required to file a report or signed statement and that did not do so. The Auditor of State also must notify the Commissioner when a subdivision that failed to submit a report or signed statement does file a report or signed statement.

LGF adjustments

(R.C. 5747.50, 5747.502, 5747.51, and 5747.53)

The bill suspends or reduces LGF payments to a subdivision that fails to file a civil fine report or statement of compliance with the Auditor of State ("delinquent subdivision") or to a subdivision filing a civil fine report with the Auditor ("noncompliant subdivision").

Under continuing law, 1.66% of general revenue tax receipts are credited monthly to the LGF to provide revenue to counties, townships, municipal corporations, and other subdivisions.[186] Continuing law allocates LGF funds through two mechanisms. First, the bulk of LGF revenue is divided between the undivided local government funds of each county. This revenue is distributed to the county and subdivisions located in that county pursuant to a formula either prescribed in state law or adopted by the county budget commission. Under the second mechanism, the

[186] R.C. 131.51(B), not in the bill.

remaining money is distributed directly to municipal corporations that levied a municipal income tax in 2006. Payments are made monthly.

"Delinquent" subdivisions

The bill requires the Tax Commissioner, when informed by the Auditor of State that a subdivision has not reported fines or filed a statement of compliance, to do both of the following:

(1) If the subdivision is a municipal corporation receiving direct LGF payments, suspend such payments beginning with the next required monthly disbursement.

(2) Immediately instruct the appropriate county auditor and treasurer to suspend payments to the subdivision from the county undivided local government fund beginning with the next required disbursement.

Payments to a delinquent subdivision remain suspended until the subdivision files all delinquent reports or statements of compliance with the Auditor. Once the Auditor notifies the Commissioner that all required reports or statements have been filed, the LGF payments to the subdivision resume.

"Noncompliant" subdivisions

The bill requires the Tax Commissioner, when informed by the Auditor that a subdivision is a noncompliant subdivision, to do both of the following:

(1) If the noncompliant subdivision is a municipal corporation receiving direct municipal payments, reduce the amount of the next three such payments by one-third of the gross civil fine revenue reported by the subdivision in its most-recent quarterly report.

(2) In the case of other subdivisions, immediately instruct the county auditor and treasurer to reduce the amount of the next three payments to the subdivision from the county undivided local government fund by one-third of the gross civil fine revenue reported by the subdivision in its most-recent quarterly report.

If the noncompliant subdivision is a municipal corporation receiving direct LGF payments and one-third of the amount of its gross fines would exceed the amount of its monthly direct LGF payment, its next three payments from the county undivided local government fund are reduced by the difference.

Distribution of suspended or reduced LGF payments

If a delinquent or noncompliant subdivision's LGF payments are suspended or reduced, the unpaid amount is distributed to other subdivisions in the same county that are not delinquent or noncompliant. Those subdivisions receive a share of such money based on the proportion of undivided local government fund revenue the subdivision would receive compared to amounts received by all subdivisions in the county that are not delinquent or noncompliant.

Any subdivision receiving an increased undivided local government fund payment must use the increase for the same purpose as other undivided local government distributions – to pay for the subdivision's operating expenses.