

# Fiscal Note & Local Impact Statement

127<sup>th</sup> General Assembly of Ohio

Ohio Legislative Service Commission  
77 South High Street, 9<sup>th</sup> Floor, Columbus, OH 43215-6136 ♦ Phone: (614) 466-3615  
♦ Internet Web Site: <http://www.lsc.state.oh.us/>

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BILL: **H.B. 472** DATE: **April 15, 2008**  
STATUS: **As Introduced** SPONSOR: **Rep. Setzer**  
LOCAL IMPACT STATEMENT REQUIRED: **No — Permissive**  
CONTENTS: **To revise ditch maintenance assessment procedures and make other changes related to soil and water conservation improvements**

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## State Fiscal Highlights

- No direct fiscal effect on the state.

## Local Fiscal Highlights

| LOCAL GOVERNMENT | FY 2008  | FY 2009  | FUTURE YEARS   |
|------------------|--|--|--|
| <b>Counties</b>  |  |  |  |
| Revenues         | Potential gain in ditch assessments                          | Potential gain in ditch assessments                          | Potential gain in ditch assessments                          |
| Expenditures     | Potential minimal increase to revise ditch maintenance costs | Potential minimal increase to revise ditch maintenance costs | Potential minimal increase to revise ditch maintenance costs |

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- **Six-year Review of Assessments.** The bill revises existing six-year ditch maintenance assessment review procedures that county commissioners must follow by permitting them to review and alter an assessment to reflect the estimated cost of the improvement as if it were performed today. This change would allow the county to adjust the assessment for inflation.
- **Changes to Soil and Water Conservation District Improvement Procedures.** The bill permits soil and water conservation districts to employ the same procedures for maintaining conservation improvements as that provided for counties under the County Ditch Fund Law. Given that soil and water conservation districts follow these procedures in current practice, the fiscal impact of this provision, if any, would be negligible.



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## *Detailed Fiscal Analysis*

### **Background**

Under current law, after six annual maintenance fund assessments have been made on owners benefiting from an improvement that was constructed under the Single County Ditches Law, a board of county commissioners must review the permanent base for maintenance fund assessment. The board may then increase or decrease the benefit apportionments of land owners in accordance with changes in benefits that have occurred during the previous six years. An October 2004 Attorney General opinion 2004-035, however, stated that a board of county commissioners does not have the authority to increase the original estimated cost of an improvement project to adjust for inflation.

### **Ditch Maintenance Fund assessments**

The bill allows the board, at the six-year review, to request the county engineer to estimate the construction cost of the improvement if that improvement were to be constructed at the time of the permanent base review. If the board approves the estimate as the construction cost of the improvement, this amount then becomes the permanent base that is used to calculate maintenance fund assessments for owners who benefit from the improvement. Since an estimate prepared by the county engineer will in all likelihood exceed the original estimate, it will result in an increase in assessment revenue for the county. The county engineer would incur some new costs for instances in which original cost estimates for ditch improvements would have to be revised.

### **Soil and water conservation district improvements**

Current law requires a board of county commissioners, or a joint board if one has been appointed, to maintain the works of improvement constructed by the board for a soil and water conservation district. The board may contract with or authorize the supervisors or joint board of supervisors of a soil and water conservation district to perform maintenance on the works of improvement. However, there is no specific language in current law that governs the maintenance procedures employed by soil and water conservation districts. Generally, the boards of these districts are permitted to use the procedures outlined in the Ditch Maintenance Fund Law to levy assessments. While in practice most soil and water conservancy districts already follow the Ditch Maintenance Fund Law procedures covering maintenance, the bill codifies the authority for the districts to do so. Because of this, the fiscal impact of this provision, if any, of would likely be negligible.

*LSC fiscal staff: Terry Steele, Budget Analyst*

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