

Fiscal Note & Local Impact Statement

127th General Assembly of Ohio

Ohio Legislative Service Commission
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BILL: **Am. Sub. S.B. 36** DATE: **May 21, 2007**

STATUS: **As Reported by Senate State & Local Govt. & Veterans Affairs** SPONSOR: **Sen. Schuler**

LOCAL IMPACT STATEMENT REQUIRED: **No — Permissive**

CONTENTS: **To permit a township with a population of greater than 3,500, but less than 5,000 in its unincorporated territory to adopt a limited home rule government**

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- Permits a township with greater than 3,500, but less than 5,000 residents in its unincorporated area to adopt a limited home rule government if the township meets certain criteria. As the provisions in the bill are permissive, there is no direct cost to any township.
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Detailed Fiscal Analysis

Criteria necessary to adopt limited home rule powers

In order for a township with greater than 3,500, but less than 5,000 residents in its unincorporated area to adopt limited home rule powers, the township must meet certain criteria established in the bill. First, the electors of the unincorporated area must petition the board of township trustees to adopt a limited home rule government, and the petition must contain the signatures of at least 10% of the electors in the unincorporated area. Second, the board of township trustees must appoint a township administrator. Finally, the total budget of the township must be \$3.5 million or more. If these conditions are met, then the township is permitted to submit the issue to the voters of the unincorporated area. According to 2000 decennial census data, there are 131 townships in Ohio that have greater than 3,500, but less than 5,000 residents.

Fiscal effect



Should a township decide to exercise the option provided in the bill to adopt limited home rule powers, there may be some costs associated. First, the township is required to appoint a township administrator. There would be some cost increases to the township in terms of compensation and benefits to this employee. Additionally, there would be some minimal costs for placing the issue of home rule on a ballot.

Limited home rule powers would allow the township to do the following:

- (1) Exercise all powers of local self-government within the unincorporated area of the township, other than powers that are in conflict with general laws, except that the township shall comply with the requirements and prohibitions of this chapter, and shall enact no taxes other than those authorized by general law, and except that no resolution adopted pursuant shall encroach upon the powers, duties, and privileges of elected township officers or change, alter, combine, eliminate, or otherwise modify the form or structure of the township government unless the change is required or permitted.
- (2) Adopt and enforce, within the unincorporated area of the township, local police, sanitary, and other similar regulations that are not in conflict with general laws or otherwise prohibited.
- (3) Supply water and sewer services to users within the unincorporated area of the township in accordance with sections 504.18 to 504.20 of the Revised Code.
- (4) Adopt and enforce within the unincorporated area of the township any resolution of a type described in section 503.52 of the Revised Code.

Presumably, townships would opt to use home rule powers with respect to providing certain services such as police, water, and sewage where it is cost effective. Currently, these services for unincorporated areas are generally provided by either the county, or some other political subdivision under arrangements made between these entities. The powers granted to smaller townships meeting the bill's criteria would seem most useful to those that exist in areas near or surrounded by urban areas. The bill also makes one other small change, allowing certain qualifying townships to be designated "urban townships."

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