



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [Sub. H.B. 532 of the 129th G.A.](#)

Date: December 11, 2012

Status: As Reported by Senate Finance

Sponsor: Reps. Kozlowski and Gonzales

Local Impact Statement Procedure Required: No

Contents: Ohio Military Medal of Distinction, use of sewer and water works funds, community college district housing and dining facilities, sale or lease of school district property

State Fiscal Highlights

- The bill makes a one-time transfer of \$2,500 cash from the General Revenue Fund (GRF) to the Military Medal of Distinction Fund (Fund 5LY0) and appropriates it in FY 2013 for the purpose of producing medals.
- Based on the medal program's activity to date, the provision of duplicate medals at "no cost" could cost the Adjutant General up to between \$5,000 and \$10,000 annually.

Local Fiscal Highlights

- The bill's modifications to certain laws regarding the sale or lease of school district property will likely affect very few school districts and are not likely to significantly impact districts' revenues.

Detailed Fiscal Analysis

Ohio Military Medal of Distinction

The Ohio Military Medal of Distinction is currently awarded once a year by the Governor and General Assembly to certain deceased members of the military. To date, these medals have been produced by the Adjutant General using money appropriated from the GRF at a per medal cost, including engraving, of approximately \$17. Since the medal's establishment in 2009, approximately 260 have been awarded to the families of qualifying servicemembers.

The bill: (1) creates the Military Medal of Distinction Fund (Fund 5LY0) for the purpose of producing the medals, and (2) transfers and appropriates \$2,500 cash from the GRF to essentially seed Fund 5LY0. As codified, the fund will consist of fees collected from applicants for duplicate medals, any appropriations made by the General Assembly for the purposes of the Ohio Military Medal of Distinction program, and investment earnings of the fund.

Duplicate medals. The bill establishes a process by which certain family members of medal recipients may request a duplicate medal either at no cost or for a fee. The bill requires a duplicate medal be issued: (1) at "no cost" if the requestor is a parent or spouse who is not the primary next of kin and (2) for "a fee" for certain other qualifying family members. The Adjutant General is required to set that fee in an amount no greater than the cost of producing the duplicate medal.

Based on the medal program's activity to date, the provision of duplicate medals at "no cost" could cost the Adjutant General up to between \$5,000 and \$10,000 annually. Presumably, if sufficient cash is not available for this purpose in Fund 5LY0, this cost would be paid for with money appropriated from the GRF. To the extent that requests for duplicate medals are received and distributed to other qualifying family members, any costs incurred would be offset by the fee collected and deposited in Fund 5LY0.

Administrative costs. Any additional processing and verification tasks that result from the bill's provisions are expected to be minimal and absorbed within the Adjutant General's existing staffing and funding levels.

Municipal funds for sewage and water systems

Current law permits, in FYs 2013 and 2014, municipal corporations in a county with a population between 375,000 and 400,000¹ to conduct a pilot program whereby the legislative authority may use up to 5% of the aggregate amount of money deposited in the municipal corporation's sewer fund and up to 5% of the aggregate amount of money deposited in a fund created by the municipal corporation for waterworks for the

¹ According to the most recent decennial census, Stark is the only county that falls within this population bracket.

purpose of extending the municipal corporation's water or sewage system. The bill extends this authority to include joint economic development districts located within the county in which a municipal corporation is a contracting party.

Community college housing and dining facilities

The bill allows community college districts located within one mile of a four-year private, nonprofit institution of higher education to acquire housing and dining facilities. Community college districts that choose to acquire housing and dining facilities will incur additional expenses. Presumably, however, these expenses may be offset by amounts charged by the districts for the use of the facilities.

Sale of an athletic field by a school district

Until December 31, 2015, the bill permits a city school district that currently leases an athletic field to a chartered nonpublic school to first offer the sale of that field to the nonpublic school. Existing law requires school districts to first offer real property for sale to start-up community schools and college-preparatory boarding schools that are located in the district. This provision will likely apply to very few districts and is not likely to affect sale revenues for any district that sells an athletic field as specified by the bill.

Sale or lease of previously offered school district property

The bill allows a school district to offer a parcel of real property for sale or for lease directly to a STEM school, as long as it has first offered the property to a community school or college-preparatory boarding school located in the district prior to June 30, 2011, and has received no offer from those schools. A district selling or leasing property in accordance with this provision must still own the property and wish to dispose of it. In addition, the STEM school to which the district wishes to sell or lease the property must be approved for operation between October 1, 2012 and December 31, 2012. Few districts are likely to be affected by this provision and any that may be are not likely to experience significant changes in sale or leasing revenues.