



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

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**Bill:** [H.B. 289 of the 130th G.A.](#)

**Date:** October 25, 2013

**Status:** As Introduced

**Sponsor:** Rep. Schuring

**Local Impact Statement Procedure Required:** No

**Contents:** Makes various changes to law governing joint economic development zones and joint economic development districts

### State Fiscal Highlights

- No direct fiscal effect on the state.

### Local Fiscal Highlights

- The bill places restrictions on use of municipal income tax revenue from persons working in joint economic development zones and joint economic development districts, and from profits of businesses located in these districts, requiring that these revenues be used for economic development.
- Municipal income tax revenues from such persons and businesses not appropriated or encumbered for that purpose may be used for other purposes.
- The bill makes various other changes that appear to have no direct fiscal effect.

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## Detailed Fiscal Analysis

H.B. 289 makes various changes to law regarding joint economic development zones and joint economic development districts. For a joint economic development zone (JEDZ) or a joint economic development district (JEDD), the bill specifies requirements pertaining to contiguity of each district. It requires approval of all property owners and lessees within each district of establishment of the district or of renewal of or changes to the contract that established an existing district. It specifies certain information that must be part of the ordinance or resolution approving the contract establishing or amending the district. These changes appear to have no direct fiscal effect.

The bill places restrictions on use of municipal income tax revenue from persons employed in such a district, and from profits of businesses located in a district, requiring that the revenue be used for carrying out the economic development plan in the district, but permits revenue not appropriated or encumbered for that purpose to be used for other purposes. Since a municipal corporation levying a municipal income tax would be a willing party to any JEDZ or JEDD established within its corporate boundaries, these provisions appear to be permissive.

Further details on provisions of the bill are in the LSC Bill Analysis.