
LOCAL GOVERNMENT

Tax increment financing

- Authorizes a local government, under certain circumstances, to extend the term of a tax increment financing exemption for up to 30 additional years.
- Authorizes the board of trustees of an urban township to create a tax increment financing arrangement by a majority vote rather than by a unanimous vote.

County family and children first councils

- Requires each county family and children first council to include a representative of the Department of Youth Services (DYS) or its designee, instead of a representative of the regional office of DHS.

Metropolitan housing authorities

- Specifies that a metropolitan housing authority (MHA) may redevelop slum areas within the district in which the authority is created.
- Authorizes an MHA to make available, acquire, construct, improve, manage, lease, or own mixed-use and mixed-income developments.
- Permits an MHA to participate in partnerships or joint ventures relating to the development of housing or projects with other public or private entities.
- Permits an MHA to rent or lease to nonresidential tenants and persons of varying incomes within a project, mixed-use development, or mixed-income development.
- Authorizes an MHA to provide, consult, sell, license, or transfer to organizations and government agencies housing-related technology, innovations, and expertise for specific purposes.

Board of elections compensation

- Increases the minimum compensation of a member of a board of elections by 1.75% annually through 2028.

Municipal garbage fees

- Authorizes all municipalities providing for garbage collection to have unpaid garbage fees of \$250 or more charged as a lien against real property.

Two-year window to amend local rules

- Enacts a new two-year window of time in which planning authorities may amend their local rules concerning approvals of proposed divisions of parcels of land without a plat and in which they may define an “original tract” for purposes of the limitation on approving not more than five lots without a plat.

Municipal corporation as portion of fire district

- Allows a township fire district or a joint fire district to include a portion, rather than the entirety, of a municipal corporation.

Electronically notarized documents

- Replaces the requirement that printed copies of electronically executed and notarized documents be accepted on the same terms as documents submitted electronically with a requirement that they be accepted so long as they are properly authenticated.
- Requires county officials who electronically accept documents for recording to also accept digital copies of electronically executed and notarized documents on the same terms.

Township employee compensatory time

- Allows a township employee to take, in lieu of overtime pay, compensatory time off at a rate of 1½ times the number of overtime hours worked at a time mutually convenient to the employee and the employee's supervisor within 180 days after working overtime.
- Allows a township appointing authority, by rule or resolution, to adopt an alternative policy governing the calculation and payment of overtime.

Hospitals and nonprofits

- Allows the board of a county hospital or a joint township district hospital board to form or acquire control of a domestic nonprofit corporation or a domestic nonprofit limited liability company.
- Allows a board to be a partner, member, owner, associate, or participant in a nonprofit enterprise or nonprofit venture.
- Requires a board forming, acquiring, or participating in a nonprofit entity to do so in furtherance of certain specified reasons.

Criminal records checks, municipal tax employees

- Requires criminal records check for employees of municipal corporations and regional councils of government with access to federal tax information.

County recorder and Housing Trust Fund fees

- Increases to \$17 the base fee and the Housing Trust Fund fee (\$34 total) collected by the county recorder for recording and indexing the first two pages of an instrument when using photocopying or any similar process.
- Removes the \$50 million cap on Housing Trust Fund fees that the Treasurer of State deposits into the Low- and Moderate-Income Housing Trust Fund, and eliminates the Housing Trust Reserve Fund where fees in excess of \$50 million each year were deposited.

County recorder's technology fund

- Extends the time during which a county recorder may annually request that an additional amount be credited to the County Recorder's Technology Fund.
- Extends the time for which a current funding proposal is effective, notwithstanding the number of years of funding specified in the originally approved proposal.
- Requires a board of county commissioners to approve such extensions to be deposited in the County Recorder's Technology Fund if the total does not exceed \$8.

Park districts

- Adds a park district created under R.C. Chapter 1545 to the definition of "contracting subdivision" to allow for parks created under that chapter to work jointly with other contracting subdivisions for certain purposes.

Regional water and sewer districts

- Allows a regional water and sewer district to make loans and grants to and enter into cooperative agreements with any person (a natural person, firm, partnership, association, or corporation other than a political subdivision) rather than only with political subdivisions, as in former law.
- Expands a district's authority to offer discounted rentals or charges to any person, instead of only to persons age 65 or older, who is of low or moderate income or qualifies for the homestead exemption.

Concealed handgun license fees

- Allows a sheriff, with approval of the board of county commissioners, to use the county's portion of concealed handgun license fees for constructing, maintaining, or renovating a shooting range to be used by the sheriff or the sheriff's employees.

Tax increment financing

(R.C. 5709.51, 5709.40, 5709.41, 5709.73, and 5709.78; Section 757.291)

Under continuing law, a county, township, or municipal corporation may adopt a resolution exempting certain property from property taxation through a method known as tax increment financing (TIF). There are two types of TIF resolutions that a local government may adopt – either exempting individual parcels or groups of parcels, or exempting a collection of parcels in an "incentive district" (these are often referred to as a "project TIF" or an "incentive district TIF," respectively).

All or a portion of the increased value of real property subject to a TIF is exempt from property tax for up to ten years or, with the approval of the school district, up to 30 years. School districts may condition their approval on receiving payments from the property owner compensating the district for forgone property taxes. In lieu of property taxes, the owner of TIF property is generally required to make service payments to the local government that

designated the TIF, which generally must use those service payments to pay for infrastructure improvements related to development of the TIF property.

The act authorizes a county, township, or municipal corporation to extend the term of a project TIF exemption for up to 30 additional years, if certain conditions apply. Specifically (1) service payments generated by the project TIF must have exceeded \$1.5 million in the year before the extension is adopted, and (2) the ordinance or resolution extending the term must provide for compensation to the affected school district for the amount of forgone taxes. In addition, for extensions approved after 2020, service payments must not have exceeded \$1.5 million in any year before the year preceding the extension. (When coupled with (1), above, this means that, for extensions approved after 2020, the TIF service payments must have increased to \$1.5 million in the year before the extension is approved from some lesser amount paid in each preceding year.) The act authorizes an extension only for project TIF exemptions in effect for tax year 2019 or later.

Within 15 days after approving an extension, the county, township, or municipal corporation must send a copy of the local extension legislation to the Director of Development Services.

Township tax increment financing legislation

(R.C. 5709.73)

The act authorizes the board of trustees of an “urban township” to adopt a resolution creating a project or incentive district TIF arrangement by a majority vote rather than by unanimous vote, as had been required for all townships under prior law. An urban township is a township that has a population of 15,000 or more within its unincorporated territory and has adopted a limited home rule government – an arrangement under continuing law that allows the township to exercise certain home rule powers the Ohio Constitution otherwise reserves to municipal corporations and chartered counties.

County family and children first councils

(R.C. 121.37)

Law unchanged by the act requires each board of county commissioners to establish a county family and children first council. Regarding council membership, the act requires there be a representative of the Department of Youth Services (DYS) or an individual designated by DHS. This replaces a representative of the regional office of DHS, as required under prior law.

Metropolitan housing authorities

(R.C. 3735.31, 3735.33, 3735.40, and 3735.41)

The act authorizes metropolitan housing authorities (MHAs) to redevelop slum areas within their districts and make available, acquire, construct, improve, manage, lease, or own mixed-use or mixed-income developments, or a combination of them. In addition, the MHA may participate in partnerships or joint ventures relating to the development of housing or projects with other public or private entities. “Mixed-use development” means a development that is both residential and nonresidential in character, and “mixed-income development” is a

development that includes urban or rural living accommodations for persons or families of varying incomes. The act permits an MHA to rent or lease to nonresidential tenants and persons of varying incomes within a project, mixed-use development, or a mixed-income development.

The act also authorizes an MHA and its subsidiaries to provide, consult, sell, license, transfer, or contract to provide to other entities, such as other MHAs, public housing authorities, or other organizations formed inside or outside of Ohio, or to government agencies, housing-related knowledge, technology, software, innovations, or expertise for (1) the development or redevelopment of housing projects, (2) the performance of federal housing contracts or grants, (3) any matter related to the efficient operation of housing organizations, or (4) the management or operation of an MHA or redevelopment authority.

Board of elections compensation

(R.C. 3501.12)

The act increases the \$6,000 minimum compensation of a member of a board of elections by 1.75% annually through 2028. This minimum compensation applies in the 44 smaller counties. Legislation enacted in 2018 similarly required the compensation for board members in the larger counties, which is tiered to population, to increase by 1.75% annually through 2028.

Municipal garbage fees

(R.C. 701.10)

The act authorizes the legislative authority of any municipality that has established a rate or charge for garbage collection to certify to the county auditor unpaid amounts owed when the unpaid amount is at least \$250. The amount certified becomes a lien against the real property to which services are provided, is placed on the tax list to be collected as other taxes, and paid into the general fund of the municipality. Formerly, this authority existed only for municipalities located in a charter county (Summit and Cuyahoga).

Two-year window to amend local rules

Platting and subdivisions – background

The Subdivision Law¹²⁴ provides that the division of some tracts of land must be platted (mapped) and is subject to regulations adopted by a local government for securing and providing for specified purposes like coordination of streets within a subdivision, open spaces for traffic, recreation, light, and air, and the avoidance of future congestion, among other things. Proof of compliance with local zoning ordinances and comments by the health

¹²⁴ R.C. Chapter 711.

commissioner also may be required.¹²⁵ Only land located in areas where subdivision regulations have been adopted is subject to the Subdivision Law.¹²⁶

A plat of land subject to local regulations cannot be recorded until it is approved by a county or regional planning commission and the written approval is endorsed on the plat. Local rules must exempt from the approval requirements any parcels to be used only for agricultural or personal recreational purposes.¹²⁷

Approvals of divisions of land without plat

(R.C. 711.131)

Under continuing law, even if the division of land meets the criteria for being subject to the Subdivision Law, an exemption is made for divisions of land into fewer than six lots under certain circumstances. The exemption is for any proposed division of a *parcel* of land along an existing public street that (1) does not involve the opening, widening, or extension of any street or road and (2) involves no more than five lots after the *original tract* has been *completely subdivided*. The Revised Code gives little guidance in interpreting the terms used in this exemption. The Attorney General has defined some terms in order to interpret this law. An Attorney General opinion has defined “tract” as “a contiguous quantity of land (regardless of size) undivided by lot lines”; “original tract” as “a tract which has not been divided under its present ownership”; and “completely subdivided” as “a tract that is divided into as many lots as the subdivider intends for the tract.”¹²⁸ Thus, under this opinion, even though not all of the divisions occur at the same time, if the same owner or owners divide a tract of property into more than five lots, at that time when more than five lots result from the original tract, the entire original tract must be platted, even if some lots have been previously transferred.

Effective April 15, 2005, S.B. 115 of the 125th General Assembly amended the law to allow the exemption to be used unless the planning authority amended its general rules within two years after that effective date to limit its approval authority to no more than five lots without a plat from an “original tract” as that original tract exists on the effective date of the amendment to the general rules. If the planning authority so amended its rules, it was required to make the required findings and approve a proposed division in generally the same manner as under the continuing law.

The act provides another two-year period after the October 17, 2019, effective date, in which the planning authority may amend its general rules to limit its approval authority to no

¹²⁵ R.C. 711.05, 711.09, and 711.10, not in the act.

¹²⁶ R.C. 711.40, not in the act. (Unless required by the rules and regulations adopted under the sections cited in the preceding footnote, the Subdivision Law does not apply to the division of any parcel of land by an instrument of conveyance.)

¹²⁷ R.C. 711.10 and 711.133, not in the act.

¹²⁸ Ohio Attorney General Opinion 1984-073.

more than five lots without a plat from an “original tract” as that original tract exists on the effective date of the amendment to the general rules.

Municipal corporation as portion of fire district

(R.C. 505.37 and 505.371)

The act allows a township fire district or a joint fire district to include all *or a portion* of a municipal corporation, whereas prior law only allowed *the entire* municipal corporation to be included. Under continuing law, a municipal corporation that is within or adjoins a township may join the township’s fire district, or a municipal corporation may join together with one or more townships and other municipal corporations to create a joint fire district.

Electronically notarized documents

(R.C. 147.591)

Under prior law, county auditors, engineers, and recorders that accepted documents through an electronic recording method must also, and on the same terms, have accepted printed copies of documents that were electronically executed. The act replaces that requirement with a requirement that the county officials accept printed copies of electronically executed documents if they are properly authenticated. To be properly authenticated, the act provides the document must contain an attached authenticator certificate in a form set forth in the act. It also adds a new requirement that digital copies of electronically executed documents be accepted on the same terms as any other document that is electronically accepted for recording.

Township employee compensatory time

(R.C. 4111.03)

The act allows a township employee to take, in lieu of overtime pay, compensatory time off at a rate of 1½ times the number of overtime hours worked. The employee and the employee’s supervisor must agree on a mutually convenient time for the employee to use compensatory time that is within 180 days after the employee worked the overtime. The act also allows a township appointing authority to adopt a rule or resolution creating an alternative policy governing overtime pay.

A political subdivision is subject to the federal Fair Labor Standards Act¹²⁹ (FLSA), which, like Ohio law, requires an employer to pay overtime if an employee works more than 40 hours in a week unless an exception applies. Under the FLSA, a political subdivision may, in lieu of paying overtime compensation, grant 1½ hours of compensatory time off for each hour of overtime worked. The compensatory time must be granted in accordance with the terms of a collective bargaining agreement or, in the case of an employee not covered by a collective bargaining agreement, an agreement between the employer and employee entered into before

¹²⁹ 29 U.S.C. 201, *et seq.*

the employee works overtime. If the work includes work in a public safety activity, an emergency response activity, or a seasonal activity, the employee may not accrue more than 480 hours of compensatory time. If the work is not related to those activities, the limit is 240 hours. Once an employee accrues 480 or 240 hours of compensatory time, as applicable, the FLSA requires the employee to be paid in accordance with the FLSA's overtime pay requirement.¹³⁰

Hospitals and nonprofits

(R.C. 339.10 and 513.172)

The act, without specifying how, allows a board of a county hospital or joint township district hospital board to “form, or acquire control of, a domestic nonprofit corporation or a domestic nonprofit limited liability company.” It allows a board to be a partner, member, owner, associate, or participant in a nonprofit enterprise or nonprofit venture. Additionally, it requires a board forming, acquiring, or participating in a nonprofit entity to do so in furtherance of any of the following:

- To support the county hospital's or joint township hospital district's mission;
- To provide for any or all health care or medical services, whether inpatient or outpatient services, diagnostic treatment, care, or rehabilitation services, wellness services, services involving the prevention, detection, and control of disease, home health services or services provided at or through various facilities, education, training, and other necessary and related services for the health professions;
- The management or operation of any hospital facility;
- The management, operation, or participation in programs, projects, activities, and services useful to, connected with, supporting, or otherwise related to the health, wellness, and medical services and wellness programs discussed above; or
- Any other activities that further the county hospital or joint township hospital district or are necessary to perform its mission and functions and respond to change in the health care industry as determined by the board.¹³¹

Criminal records checks, municipal tax employees

(R.C. 109.572 and 718.131)

Under continuing law, a criminal records check is required for all state employees, prospective employees, and contractors with access to federal tax information.¹³² The act

¹³⁰ 29 U.S.C. 207(o).

¹³¹ See Ohio Constitution, Article VIII, Section 6, which restricts a county, city, town, or township from becoming a stockholder in any joint stock company, corporation, or association. A court could determine that this provision of the act is in violation of the Ohio Constitution.

¹³² R.C. 124.74, not in the act.

extends this requirement to all employees, prospective employees, and contractors of municipal corporations and regional councils of government with access to federal tax information. The Internal Revenue Service, through Publication 1075, requires criminal records checks pursuant to federal law, which requires state and local governments to preserve the confidentiality of such information.¹³³

Under the act, each municipal tax administrator (including a regional council of governments that administers municipal income taxes, such as the Regional Income Tax Agency) must request the Superintendent of the Bureau of Criminal Identification and Investigation (BCII) to conduct a fingerprint-based criminal records check. As part of the check, BCII must obtain criminal records information from the FBI. The tax administrator and individual also must comply with any separate request from the FBI for a national criminal records check.

County recorder and Housing Trust Fund fees

(R.C. 317.32)

The act increases by \$3 the former base fee of \$14 and the former Housing Trust Fund Fee of \$14 (\$28 total for the first two pages under former law) that is collected by the county recorder for recording and indexing the first two pages of an instrument when using photocopying or any similar process. The resulting total fee is \$34 for the first two pages. The act retains the additional base fee of \$4 per subsequent page and the additional Housing Trust Fund fee of \$4 per subsequent page (\$8 total) in continuing law.

Low- and Moderate-Income Housing Trust Fund; Housing Trust Reserve Fund

(R.C. 174.02 and 319.63; R.C. 174.09, repealed)

The act removes the \$50 million cap on the amount of Housing Trust Fund fees collected by county recorders that are deposited each year into the Low- and Moderate-Income Housing Trust Fund. Under former law, amounts exceeding \$50 million were deposited into the Housing Trust Reserve Fund unless that fund had a balance of \$15 million; in the latter case, amounts exceeding \$50 million went to the state GRF. As a result, all Housing Trust Fund fees collected by county recorders will be deposited in the Low- and Moderate-Income Housing Trust Fund.

County recorder's technology fund

(R.C. 317.321)

The act allows for a county recorder to extend current approved funding requests for the county recorder's technology fund beyond those formerly allowed, and requires a board of county commissioners to approve these extensions, notwithstanding continuing statutory limitations. Under continuing law, a county recorder's funding request for technology fund purposes generally is limited to a five-year period. However, in 2013, H.B. 59 of the 130th

¹³³ 26 U.S.C. 6103(p)(4).

General Assembly enacted language that purported to allow, temporarily, for extensions of funding beyond the five-year period and a mandatory bump of up to \$3 to be directed to the County Recorder's Technology Fund from the county general fund. At the termination of those extensions, beginning January 2019, it appeared that the law would resort to discretionary county commissioner approval, rejection, or modification with a mandatory bump of up to \$3, for a period of up to five years, provided the total of such allocations could not exceed \$8. Essentially, H.B. 59 "grandfathered" any then-current allocation of recorder's fees to the technology fund for another five-year period (calendar years 2014-2018), notwithstanding whatever the approved proposal agreement provided for the term of the funding.

The act similarly extends any proposal that was approved by the board of county commissioners before, and is in effect on October 17, 2019, to continue to January 1, 2025, notwithstanding the number of years of funding specified in the approved proposal. The act also provides that a proposal submitted between October 1, 2019, and October 1, 2023, for the mandatory bump of up to \$3 be credited to the technology fund, in addition to the other funding allocation; if the total of those two amounts does not exceed \$8, the board must approve the proposal. Because the H.B. 59 date of January 1, 2019, has passed, in order to get the extension of the first amount beyond that already approved, the county recorder must have an approved funding allocation in effect on October 17, 2019, and then, despite whatever the number of years are provided in the original approval, the act would extend it for another five. If the recorder does not have such an approval in effect on that date, the recorder could possibly receive the up to \$3 bump if that does not cause the recorder's total allocation to the technology fund to exceed the \$8 limit.

Park districts

(R.C. 755.16)

The act adds a park district created under R.C. Chapter 1545 to the definition of "contracting subdivision" to allow for parks created under that chapter to work jointly with other contracting subdivisions to acquire property for, construct, operate, and maintain any parks, playgrounds, playfields, gymnasiums, public baths, swimming pools, indoor recreation centers, educational facilities, and community centers. Under continuing law, a "contracting subdivision" includes a municipal corporation, township, joint recreation district, township park district, county, school district, educational service center, or state institution of higher education.

Regional water and sewer districts

(R.C. 6119.06, 6119.09, and 6119.091)

Cooperative agreements and loans and grants

The act allows a regional water and sewer district to make loans and grants to and enter into cooperative agreements with any person (a natural person, firm, partnership, association, or corporation other than a political subdivision). Prior law allowed a regional water and sewer district to make loans and grants to and enter into cooperative agreements only with a political subdivision. Further, the act authorizes a district to provide loans and grants for the design of

water resource projects. The act retains the authority for a district to provide loans and grants for the acquisition and construction of water resource projects.

Rental discounts

The act expands a district's authority to offer discounted rentals or charges for water resource projects, which include drinking water and sewer services. Under former law, a district was limited in its ability to offer discounts to persons who were 65 or older and who were of low or moderate income or qualified for the homestead exemption. The act allows a district to offer discounts to a person of any age, provided the person is of low or moderate income or qualifies for the homestead exemption.

Concealed handgun license fees

(R.C. 311.42)

The act allows a sheriff, with the approval of the board of county commissioners, to spend any portion of the fees the county receives in the sheriff's concealed handgun license issuance expense fund for constructing, maintaining, or renovating a shooting range to be used by the sheriff or the sheriff's employees, and for equipment associated with the shooting range.