

---

## 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.

### 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.

### 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.

### Municipal corporation as portion of fire district

- Allows a township fire district or a joint fire district to include a portion of a municipal corporation.

### Filing electronically notarized documents

- Replaces existing law's 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 use of compensatory time off

- Allows a township employee to take, in lieu of overtime pay, compensatory time off at a rate of 1 ½ 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 forming, acquiring, or being involved with a nonprofit**

- Allows a board of county hospital trustees 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.

## **Industrial development bonds**

- Allows townships to issue industrial development bonds.
- Eliminates the requirement that a county or municipal corporation designate a community improvement corporation as its industrial development agency before the county or municipal corporation may issue industrial development bonds.

## **Criminal records check for municipal tax employees**

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

## **Increase county recorder and Housing Trust Fund fees**

- Increases to \$16 the base fee and the Housing Trust Fund fee (\$32 total) collected by the county recorder for recording and indexing the first two pages of an instrument when using photocopying or any similar process.
- Retains the base fee of \$4 and the Housing Trust Fund fee of \$4 for each subsequent page (\$8 total per subsequent page) of the recorded instrument.
- Removes the \$50 million cap on the amount of Housing Trust Fund fees that the Treasurer of State deposits into the Low- and Moderate-Income Housing Trust Fund.
- Eliminates the Housing Trust Reserve Fund where Housing Trust Fund fees in excess of \$50 million each year are deposited.

## **County Recorder's Technology Fund**

- Extends the time period during which a county recorder may annually request that an additional amount be credited to the County Recorder's Technology Fund.
- Extends the time period 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 of such amounts does not exceed \$8.

## **Park district to work jointly with contracting subdivisions**

- Adds a park district created under R.C. Chapter 1545 of the Revised Code 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 to political subdivisions as in current law.
- Expands a district’s authority to offer discounted rentals or charges established by a regional water and sewer district to any person who is of low or moderate income or qualifies for the homestead exemption, instead of only to those who are 65 or older and meet that criteria.

## **Using concealed handgun license fees for shooting range**

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

## **Tax increment financing exemption extensions**

(R.C. 5709.51, 5709.40, 5709.41, 5709.73, and 5709.78; Section 757.20)

Under current law, a county, township, or municipal corporation may adopt a resolution exempting certain property in a township from property taxation through a method known as tax increment financing (TIF). There are currently 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 uses those service payments to pay for infrastructure improvements related to the development of the TIF property.

The bill 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 bill 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. (Under continuing law, local governments are required to certify new TIF legislation to the Director within the same amount of time.)

## **County family and children first councils**

(R.C. 121.37)

Current law requires each board of county commissioners to establish a county family and children first council. Regarding council membership, the bill 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 current law.

## **Board of elections compensation**

(R.C. 3501.12)

The bill increases the minimum compensation of a member of a board of elections by 1.75% annually through 2028. Under continuing law, a board member's annual compensation must be the greater of the following:

1. The sum of the following:
  - \$102.41 for each full 1,000 of the first 100,000 in county population;
  - \$48.79 for each full 1,000 of the second 100,000 in county population;
  - \$26.50 for each full 1,000 of the third 100,000 in county population;
  - \$8.13 for each full 1,000 above 300,000 in county population.
2. \$6,000.

Existing law requires the dollar amounts listed under (1) above to be increased by 1.75% annually from 2019 through 2028. But the law does not likewise provide for the \$6,000 minimum, which applies in counties with smaller populations, to be adjusted. The bill requires the \$6,000 minimum to be adjusted in the same way as the other figures, meaning that board members who qualify only for the minimum compensation also will receive the 1.75% annual increase.

## **Municipal garbage fees**

(R.C. 701.10)

The bill 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. Currently, this authority exists only for municipalities located in a charter county.

## **Municipal corporation as portion of fire district**

(R.C. 505.37 and 505.371)

The bill allows a township fire district or a joint fire district to include all *or a portion* of a municipal corporation while current law only allows *the entire* municipal corporation. 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. Current law only allows both types of districts to include the entire municipal corporation. The bill expands this to allow a district to include a portion of a municipal corporation.

## **Filing electronically notarized documents**

(R.C. 147.591)

Under existing law, county auditors, engineers, and recorders that accept documents through an electronic recording method must also, and on the same terms, accept printed copies of documents that were electronically executed. The bill replaces that requirement with a requirement that the county officials accept printed copies of electronically executed documents so long as they are properly authenticated. 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 use of compensatory time off**

(R.C. 4111.03)

The bill 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 earned compensatory time that is within 180 days after the employee worked the overtime. The bill also allows a township appointing authority to adopt a rule or resolution creating an alternative policy governing overtime pay. County employees are currently permitted to take compensatory time on the same terms that apply to township employees under the bill. Additionally, a county appointing authority currently has the same authority to adopt an alternative overtime policy.

Ohio's overtime compensation law generally requires an employer to pay overtime wages to an employee at a rate of 1½ times the employee's hourly wage rate for all hours in excess of 40 worked by the employee in one workweek, unless an exception applies.

A political subdivision is subject to the federal Fair Labor Standards Act<sup>174</sup> (FLSA), which also 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 the employee works overtime. If the work for which compensatory time may be provided 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 employee may not accrue more than 240 hours of compensatory time. 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.<sup>175</sup>

## **Hospitals forming, acquiring, or being involved with a nonprofit**

(R.C. 339.10 and 513.172)

The bill allows a board of county hospital trustees 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. The bill allows a board to be a partner, member, owner, associate, or participant in a nonprofit enterprise or nonprofit venture. Additionally, the bill 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;

---

<sup>174</sup> 29 U.S.C. 201, *et seq.*

<sup>175</sup> 29 U.S.C. 207(o).

- Any other activities that are in furtherance of the county hospital or joint township hospital district or are necessary to perform the county hospital's or joint township hospital district's mission and functions and respond to change in the health care industry as determined by the board.<sup>176</sup>

## **Industrial development bonds**

(R.C. 165.01, 165.03, and 715.82)

Continuing law allows counties and municipal corporations to issue what may be referred to as "industrial development bonds," or, bonds issued for the purpose of providing money to purchase, construct, reconstruct, enlarge, improve, furnish, or equip facilities or projects related to industry, commerce, distribution, or research. The bill expands this authority to townships. Currently, a county or municipal corporation must first designate a community improvement corporation (CIC) as its agency for industrial, commercial, distribution, and research development before the county or municipal corporation may issue bonds; the bill eliminates this requirement.

## **Criminal records check for municipal tax employees**

(R.C. 109.572 and 718.131)

Under current law, a criminal records check is required for all state employees, prospective employees, and contractors with access to federal tax information.<sup>177</sup> The bill 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 requiring state and local governments to preserve the confidentiality of such information.<sup>178</sup>

Under the bill, 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 Federal Bureau of Investigation (FBI). The tax administrator and individual must also comply with any separate request from the FBI for a national criminal records check.

---

<sup>176</sup> 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 bill is in violation of the Ohio Constitution. However, courts have held that the use of public money by a private corporation, when used for a public purpose that can be offered by the county, city, town, or township, is valid. *Franklinkton Coalition v. Open Shelter, Inc.*, 13 Ohio App.3d 399 (10<sup>th</sup> Dist. 1983) and *State ex rel. Dickman v. Defenbacher*, 164 Ohio St. 142 (1955).

<sup>177</sup> R.C. 124.74, not in the bill.

<sup>178</sup> 26 U.S.C. 6103(p)(4).

## **Increase in county recorder and Housing Trust Fund fees**

(R.C. 317.32)

The bill increases by \$2 the current base fee of \$14 and the current Housing Trust Fund Fee of \$14 (\$28 total for the first two pages under current 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, so the total fee for the first two pages is \$32. The bill 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 current law.

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

(R.C. 174.02 and 319.63; repeals R.C. 174.09)

The bill 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 current law, amounts exceeding \$50 million are deposited into the Housing Trust Reserve Fund unless that Fund has a balance of \$15 million; in the latter case, amounts exceeding \$50 million go to the state GRF. Because the bill removes the \$50 million cap on amounts going to the Low- and Moderate-Income Housing Trust Fund and eliminates the Housing Trust Reserve Fund, all Housing Trust Fund fees collected by county recorders will be deposited in the Low- and Moderate-Income Housing Trust Fund.

## **Funding for the County Recorder's Technology Fund**

(R.C. 317.321)

The bill allows for a county recorder to extend current approved funding requests for the County Recorder's Technology Fund beyond that currently allowed and requires a board of county commissioners to approve these extensions, notwithstanding current statutory limitations. Under current law a county recorder's funding request to the board of county commissioners for technology fund purposes generally is limited to a five-year period of time except that H.B. 59 of the 130<sup>th</sup> 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 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 2014-18), notwithstanding whatever the approved proposal agreement provided for the term of the funding.

The bill similarly extends any proposal that was approved by the board of county commissioners before, and is in effect on the effective date of the amendment to continue to January 1, 2025, notwithstanding the number of years of funding specified in the approved proposal. The bill 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 the effective date of this amendment to the section and then, despite whatever the number of years are provided in the original approval, the bill would extend it for another five. If the recorder does not have such an approval in effect on the effective date of this amendment, 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 district to work jointly with contracting subdivisions**

(R.C. 755.16)

The bill adds a park district created under Revised Code 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. 6119.011, 6119.06, 6119.09, and 6119.091)

### **Cooperative agreements and loans and grants**

The bill 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). Current law permits a regional water and sewer district to make loans and grants to and enter into cooperative agreements only with a political subdivision. Further, the bill authorizes a district to provide loans and grants for the design of water resource projects. Under current law, a district may provide loans and grants only for the acquisition and construction of water resource projects.

### **Rental discounts**

The bill expands the authority of a district to offer discounted rentals or charges for water resource projects, which include drinking water and sewer services. Under current law, a district is limited in its ability to offer discounts to persons who are 65 or older and who are of low or moderate income or qualify for the homestead exemption. The bill 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.

## **Using concealed handgun license fees for shooting range**

(R.C. 311.42)

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

Continuing law allows the sheriff, with the approval of the board of county commissioners, to use those funds for administrative costs incurred by the sheriff related to the issuance of concealed handgun licenses and for ammunition and firearms to be used by the sheriff and the sheriff's employees.