

Fiscal Note & Local Impact Statement

122nd General Assembly of Ohio

BILL: S.B. 62 DATE: April 29, 1997

STATUS: As Introduced SPONSOR: Sen. Blessing

LOCAL IMPACT STATEMENT REQUIRED: No — Permissive

CONTENTS: Allows certain political subdivisions to participate in contracts for acquisitions; authorizes issuing of self-supporting securities to pay costs of improvements

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 1997	FY 1998	FUTURE YEARS
Counties, Municipalities and Townships			
Revenues	-0-	-0-	-0-
Expenditures	Potential savings	Potential savings	Potential savings

- This legislation would potentially save the local governments money because it allows them to share the costs of making acquisitions. The political subdivision administering the contract may charge the participating subdivisions a reasonable fee to cover additional costs incurred due to their participation.
- The bill also allows political subdivisions to purchase bonds and other self-supporting securities to cover the costs of acquisition and construction of their own and any other political subdivision's permanent improvements; any debts shall be secured by the improvements which are being financed. This section essentially would have no net fiscal impact.



Detailed Fiscal Analysis

The bill would allow counties, municipalities and townships to join in contracts with other political subdivisions to purchase equipment, materials, supplies, or services. Home rule powers under the Ohio Constitution, Article XVIII, give municipalities the right to join in contracts for these purchases, but only one county has exercised such authority; townships do not have such authority. Because of the limitations on counties and townships, municipalities can only join in contracts with other municipalities. Acquisition through participation in such a contract is exempt from competitive selection if the initial contract was awarded following a competitive selection procedure.

Under the bill, counties, municipalities and townships would also have the authority to issue bonds and other self-supporting securities to pay for their and other political subdivisions' permanent improvements under this bill. Again, municipalities have the right to issue self-supporting securities under home rule powers. The bill would allow counties and townships the same ability.

This legislation is permissive, and it has the potential for cost savings to the local governments.

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