

As Introduced

132nd General Assembly

Regular Session

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H. B. No. 134

Representatives Hambley, Kick

Cosponsors: Representatives Wiggam, Stein

A BILL

To amend sections 307.283 and 5739.026 of the
Revised Code to allow community improvements
board grants to a school district to be spent
for permanent improvements outside the county so
long as the improvements are within the school
district.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 307.283 and 5739.026 of the
Revised Code be amended to read as follows:

Sec. 307.283. (A) As used in this section:

(1) "Grant revenue" means revenues from a tax imposed
under section 5739.026 or 5741.023 of the Revised Code that are
allocated for the purpose of division (A) (4) of section 5739.026
of the Revised Code.

(2) "Available grant revenue" means the amount certified
under division (B) (2) of this section, less the amount of any
grants previously awarded for the year under division (C) of
this section.

(3) "Grant" means a payment award for the year to a government agency for a permanent improvement project in the amount specified by the community improvements board.

(4) "Government agency" means the county, the state, or a political subdivision, including a school district, any part of which is located in the county, ~~or the state.~~

(5) "Debt service charges" means interest, principal, and premium on grant award bonds.

(6) "Grant award bonds" means bonds or notes issued under section ~~133.312~~307.284 of the Revised Code.

(7) "Year" means a calendar year.

(8) "Permanent improvement project" means any permanent improvement to be undertaken for which the government agency that receives a grant is authorized to expend the proceeds of that grant. Any permanent improvement to be undertaken by the state or a political subdivision shall be located in the county. A permanent improvement to be undertaken by a school district shall be located in that school district.

(9) "School district" means a city, local, or exempted village school district.

(B) Each year the community improvements board shall convene and determine and certify to the board of county commissioners each of the following:

(1) The estimated grant revenue to be transferred to the community improvement fund during the current year.

(2) The total amount of grants that may be awarded during the current year. Except as provided in division (D) of this section, the total amount of grants that may be awarded during

any year may not exceed the sum of the unencumbered balance in 46
the community improvements fund on the first day of the year 47
plus the estimated grant revenue for the current year, less the 48
debt service charges certified under division (B) (3) of this 49
section. 50

(3) With respect to outstanding grant award bonds, the 51
total debt service charges for the current year and each of the 52
ensuing nine years. 53

(C) Upon the making of such certifications, the community 54
improvements board may award grants for the year for any one or 55
more permanent improvement projects. For each grant awarded, the 56
board shall certify to the board of county commissioners the 57
project for which the grant is awarded, the amount of the grant, 58
and the government agency to which the grant is to be paid. The 59
board shall include in the certification, a statement 60
instructing the board of county commissioners with respect to 61
whether and in what proportion or amount the grant is to be 62
reduced or whether the grant is to be paid in full in the event 63
the actual grant revenues for the current year are less than the 64
estimated grant revenues for the year. By a unanimous vote, the 65
board of county commissioners may disallow a grant awarded under 66
this division, in which case it shall certify its determination 67
to the community improvements board, and the grant shall not be 68
paid in the current year as otherwise required under division 69
(E) of this section. 70

Except as provided in division (D) of this section, the 71
board may not award any grant in any year that exceeds the 72
available grant revenue. The board may award grants to more than 73
one government agency for the same project and may award grants 74
for the same project in more than one year. 75

(D) The community improvements board may award grants in 76
excess of the available grant revenue for any one or more 77
permanent improvement projects, but the sum of the grants 78
awarded for the year under this division shall not exceed the 79
available grant revenue, adjusted to reflect the sum of any 80
grants that are not to be paid, as determined under the 81
certification made under division (D)(3) of this section, plus 82
the amount by which the amount certified under division (D)(1) 83
of this section exceeds the amount certified under division (D) 84
(2) of this section. For each grant awarded under this division, 85
the board shall certify to the board of county commissioners the 86
project for which the grant is awarded, the amount of the grant, 87
and the government agency to which the grant is to be paid. The 88
board of county commissioners may disallow a grant awarded under 89
this division, in which case it shall certify its determination 90
to the community improvements board, and the grant shall not be 91
paid in the current year as otherwise required under division 92
(E) of this section. If the community improvements board elects 93
to award a grant under this division, at the time it makes the 94
certifications required by division (B) of this section it shall 95
make the following additional certifications: 96

(1) The estimated grant revenue to be transferred to the 97
community improvement fund during each of the nine ensuing 98
years; 99

(2) The estimated total debt service charges, exclusive of 100
principal, for the current year and each of the nine ensuing 101
years on grant award bonds that would have to be issued during 102
the current year in order to pay a grant awarded under this 103
division; 104

(3) Which, if any, of the grants awarded under division 105

~~(B)~~(C) of this section should not be paid if a grant award made 106
under this division is paid. 107

(E) Except as otherwise provided by divisions (C) and (D) 108
of this section, the board of county commissioners shall pay 109
each government agency from the county's community improvement 110
fund, the amount of its grant award in accordance with the 111
certification of the community improvement board. If the balance 112
in the fund is insufficient to make the payment of any grant in 113
the amount specified in the certification, the board of county 114
commissioners may issue grant award bonds in the amount of such 115
insufficiency and make the balance of the payment from the 116
proceeds of such bonds. The proceeds of a payment received under 117
this division may be expended solely for the permanent 118
improvement project for which the grant was awarded. 119

(F) If a board of county commissioners disallows a grant 120
under division (C) or (D) of this section, the community 121
improvements board may reconvene for the purpose of awarding 122
grants under this section. For the purpose of making grant 123
awards as provided under this division, any grant that the board 124
of county commissioners disallows shall be considered not to 125
have been awarded. 126

(G) Before the community improvements board may approve 127
funding for a permanent improvement project that has been 128
rejected by a separate prior vote of the electorate, there must 129
have occurred a subsequent separate vote of the electorate 130
reversing the prior result. 131

Sec. 5739.026. (A) A board of county commissioners may 132
levy a tax of one-fourth or one-half of one per cent on every 133
retail sale in the county, except sales of watercraft and 134
outboard motors required to be titled pursuant to Chapter 1548. 135

of the Revised Code and sales of motor vehicles, and may 136
increase an existing rate of one-fourth of one per cent to one- 137
half of one per cent, to pay the expenses of administering the 138
tax and, except as provided in division (A) (6) of this section, 139
for any one or more of the following purposes provided that the 140
aggregate levy for all such purposes does not exceed one-half of 141
one per cent: 142

(1) To provide additional revenues for the payment of 143
bonds or notes issued in anticipation of bonds issued by a 144
convention facilities authority established by the board of 145
county commissioners under Chapter 351. of the Revised Code and 146
to provide additional operating revenues for the convention 147
facilities authority; 148

(2) To provide additional revenues for a transit authority 149
operating in the county; 150

(3) To provide additional revenue for the county's general 151
fund; 152

(4) To provide additional revenue for permanent 153
improvements ~~within the county~~ to be distributed by the 154
community improvements board in accordance with section 307.283 155
and to pay principal, interest, and premium on bonds issued 156
under section 307.284 of the Revised Code; 157

(5) To provide additional revenue for the acquisition, 158
construction, equipping, or repair of any specific permanent 159
improvement or any class or group of permanent improvements, 160
which improvement or class or group of improvements shall be 161
enumerated in the resolution required by division (D) of this 162
section, and to pay principal, interest, premium, and other 163
costs associated with the issuance of bonds or notes in 164

anticipation of bonds issued pursuant to Chapter 133. of the 165
Revised Code for the acquisition, construction, equipping, or 166
repair of the specific permanent improvement or class or group 167
of permanent improvements; 168

(6) To provide revenue for the implementation and 169
operation of a 9-1-1 system in the county. If the tax is levied 170
or the rate increased exclusively for such purpose, the tax 171
shall not be levied or the rate increased for more than five 172
years. At the end of the last year the tax is levied or the rate 173
increased, any balance remaining in the special fund established 174
for such purpose shall remain in that fund and be used 175
exclusively for such purpose until the fund is completely 176
expended, and, notwithstanding section 5705.16 of the Revised 177
Code, the board of county commissioners shall not petition for 178
the transfer of money from such special fund, and the tax 179
commissioner shall not approve such a petition. 180

If the tax is levied or the rate increased for such 181
purpose for more than five years, the board of county 182
commissioners also shall levy the tax or increase the rate of 183
the tax for one or more of the purposes described in divisions 184
(A) (1) to (5) of this section and shall prescribe the method for 185
allocating the revenues from the tax each year in the manner 186
required by division (C) of this section. 187

(7) To provide additional revenue for the operation or 188
maintenance of a detention facility, as that term is defined 189
under division (F) of section 2921.01 of the Revised Code; 190

(8) To provide revenue to finance the construction or 191
renovation of a sports facility, but only if the tax is levied 192
for that purpose in the manner prescribed by section 5739.028 of 193
the Revised Code. 194

As used in division (A) (8) of this section: 195

(a) "Sports facility" means a facility intended to house 196
major league professional athletic teams. 197

(b) "Constructing" or "construction" includes providing 198
fixtures, furnishings, and equipment. 199

(9) To provide additional revenue for the acquisition of 200
agricultural easements, as defined in section 5301.67 of the 201
Revised Code; to pay principal, interest, and premium on bonds 202
issued under section 133.60 of the Revised Code; and for the 203
supervision and enforcement of agricultural easements held by 204
the county; 205

(10) To provide revenue for the provision of ambulance, 206
paramedic, or other emergency medical services; 207

(11) To provide revenue for the operation of a lake 208
facilities authority and the remediation of an impacted 209
watershed by a lake facilities authority, as provided in Chapter 210
353. of the Revised Code. 211

Pursuant to section 755.171 of the Revised Code, a board 212
of county commissioners may pledge and contribute revenue from a 213
tax levied for the purpose of division (A) (5) of this section to 214
the payment of debt charges on bonds issued under section 755.17 215
of the Revised Code. 216

The rate of tax shall be a multiple of one-fourth of one 217
per cent, unless a portion of the rate of an existing tax levied 218
under section 5739.023 of the Revised Code has been reduced, and 219
the rate of tax levied under this section has been increased, 220
pursuant to section 5739.028 of the Revised Code, in which case 221
the aggregate of the rates of tax levied under this section and 222
section 5739.023 of the Revised Code shall be a multiple of one- 223

fourth of one per cent. The tax shall be levied and the rate 224
increased pursuant to a resolution adopted by a majority of the 225
members of the board. The board shall deliver a certified copy 226
of the resolution to the tax commissioner, not later than the 227
sixty-fifth day prior to the date on which the tax is to become 228
effective, which shall be the first day of a calendar quarter. 229

Prior to the adoption of any resolution to levy the tax or 230
to increase the rate of tax exclusively for the purpose set 231
forth in division (A)(3) of this section, the board of county 232
commissioners shall conduct two public hearings on the 233
resolution, the second hearing to be no fewer than three nor 234
more than ten days after the first. Notice of the date, time, 235
and place of the hearings shall be given by publication in a 236
newspaper of general circulation in the county, or as provided 237
in section 7.16 of the Revised Code, once a week on the same day 238
of the week for two consecutive weeks. The second publication 239
shall be no fewer than ten nor more than thirty days prior to 240
the first hearing. Except as provided in division (E) of this 241
section, the resolution shall be subject to a referendum as 242
provided in sections 305.31 to 305.41 of the Revised Code. If 243
the resolution is adopted as an emergency measure necessary for 244
the immediate preservation of the public peace, health, or 245
safety, it must receive an affirmative vote of all of the 246
members of the board of county commissioners and shall state the 247
reasons for the necessity. 248

If the tax is for more than one of the purposes set forth 249
in divisions (A)(1) to (7), (9), and (10) of this section, or is 250
exclusively for one of the purposes set forth in division (A) 251
(1), (2), (4), (5), (6), (7), (9), or (10) of this section, the 252
resolution shall not go into effect unless it is approved by a 253
majority of the electors voting on the question of the tax. 254

(B) The board of county commissioners shall adopt a 255
resolution under section 351.02 of the Revised Code creating the 256
convention facilities authority, or under section 307.283 of the 257
Revised Code creating the community improvements board, before 258
adopting a resolution levying a tax for the purpose of a 259
convention facilities authority under division (A)(1) of this 260
section or for the purpose of a community improvements board 261
under division (A)(4) of this section. 262

(C)(1) If the tax is to be used for more than one of the 263
purposes set forth in divisions (A)(1) to (7), (9), and (10) of 264
this section, the board of county commissioners shall establish 265
the method that will be used to determine the amount or 266
proportion of the tax revenue received by the county during each 267
year that will be distributed for each of those purposes, 268
including, if applicable, provisions governing the reallocation 269
of a convention facilities authority's allocation if the 270
authority is dissolved while the tax is in effect. The 271
allocation method may provide that different proportions or 272
amounts of the tax shall be distributed among the purposes in 273
different years, but it shall clearly describe the method that 274
will be used for each year. Except as otherwise provided in 275
division (C)(2) of this section, the allocation method 276
established by the board is not subject to amendment during the 277
life of the tax. 278

(2) Subsequent to holding a public hearing on the proposed 279
amendment, the board of county commissioners may amend the 280
allocation method established under division (C)(1) of this 281
section for any year, if the amendment is approved by the 282
governing board of each entity whose allocation for the year 283
would be reduced by the proposed amendment. In the case of a tax 284
that is levied for a continuing period of time, the board may 285

not so amend the allocation method for any year before the sixth 286
year that the tax is in effect. 287

(a) If the additional revenues provided to the convention 288
facilities authority are pledged by the authority for the 289
payment of convention facilities authority revenue bonds for as 290
long as such bonds are outstanding, no reduction of the 291
authority's allocation of the tax shall be made for any year 292
except to the extent that the reduced authority allocation, when 293
combined with the authority's other revenues pledged for that 294
purpose, is sufficient to meet the debt service requirements for 295
that year on such bonds. 296

(b) If the additional revenues provided to the county are 297
pledged by the county for the payment of bonds or notes 298
described in division (A) (4) or (5) of this section, for as long 299
as such bonds or notes are outstanding, no reduction of the 300
county's or the community improvements board's allocation of the 301
tax shall be made for any year, except to the extent that the 302
reduced county or community improvements board allocation is 303
sufficient to meet the debt service requirements for that year 304
on such bonds or notes. 305

(c) If the additional revenues provided to the transit 306
authority are pledged by the authority for the payment of 307
revenue bonds issued under section 306.37 of the Revised Code, 308
for as long as such bonds are outstanding, no reduction of the 309
authority's allocation of tax shall be made for any year, except 310
to the extent that the authority's reduced allocation, when 311
combined with the authority's other revenues pledged for that 312
purpose, is sufficient to meet the debt service requirements for 313
that year on such bonds. 314

(d) If the additional revenues provided to the county are 315

pledged by the county for the payment of bonds or notes issued 316
under section 133.60 of the Revised Code, for so long as the 317
bonds or notes are outstanding, no reduction of the county's 318
allocation of the tax shall be made for any year, except to the 319
extent that the reduced county allocation is sufficient to meet 320
the debt service requirements for that year on the bonds or 321
notes. 322

(D) (1) The resolution levying the tax or increasing the 323
rate of tax shall state the rate of the tax or the rate of the 324
increase; the purpose or purposes for which it is to be levied; 325
the number of years for which it is to be levied or that it is 326
for a continuing period of time; the allocation method required 327
by division (C) of this section; and if required to be submitted 328
to the electors of the county under division (A) of this 329
section, the date of the election at which the proposal shall be 330
submitted to the electors of the county, which shall be not less 331
than ninety days after the certification of a copy of the 332
resolution to the board of elections and, if the tax is to be 333
levied exclusively for the purpose set forth in division (A) (3) 334
of this section, shall not occur in August of any year. Upon 335
certification of the resolution to the board of elections, the 336
board of county commissioners shall notify the tax commissioner 337
in writing of the levy question to be submitted to the electors. 338
If approved by a majority of the electors, the tax shall become 339
effective on the first day of a calendar quarter next following 340
the sixty-fifth day following the date the board of county 341
commissioners and tax commissioner receive from the board of 342
elections the certification of the results of the election, 343
except as provided in division (E) of this section. 344

(2) (a) A resolution specifying that the tax is to be used 345
exclusively for the purpose set forth in division (A) (3) of this 346

section that is not adopted as an emergency measure may direct 347
the board of elections to submit the question of levying the tax 348
or increasing the rate of the tax to the electors of the county 349
at a special election held on the date specified by the board of 350
county commissioners in the resolution, provided that the 351
election occurs not less than ninety days after the resolution 352
is certified to the board of elections and the election is not 353
held in August of any year. Upon certification of the resolution 354
to the board of elections, the board of county commissioners 355
shall notify the tax commissioner in writing of the levy 356
question to be submitted to the electors. No resolution adopted 357
under division (D) (2) (a) of this section shall go into effect 358
unless approved by a majority of those voting upon it and, 359
except as provided in division (E) of this section, not until 360
the first day of a calendar quarter following the expiration of 361
sixty-five days from the date the tax commissioner receives 362
notice from the board of elections of the affirmative vote. 363

(b) A resolution specifying that the tax is to be used 364
exclusively for the purpose set forth in division (A) (3) of this 365
section that is adopted as an emergency measure shall become 366
effective as provided in division (A) of this section, but may 367
direct the board of elections to submit the question of 368
repealing the tax or increase in the rate of the tax to the 369
electors of the county at the next general election in the 370
county occurring not less than ninety days after the resolution 371
is certified to the board of elections. Upon certification of 372
the resolution to the board of elections, the board of county 373
commissioners shall notify the tax commissioner in writing of 374
the levy question to be submitted to the electors. The ballot 375
question shall be the same as that prescribed in section 376
5739.022 of the Revised Code. The board of elections shall 377

notify the board of county commissioners and the tax 378
commissioner of the result of the election immediately after the 379
result has been declared. If a majority of the qualified 380
electors voting on the question of repealing the tax or increase 381
in the rate of the tax vote for repeal of the tax or repeal of 382
the increase, the board of county commissioners, on the first 383
day of a calendar quarter following the expiration of sixty-five 384
days after the date the board and tax commissioner received 385
notice of the result of the election, shall, in the case of a 386
repeal of the tax, cease to levy the tax, or, in the case of a 387
repeal of an increase in the rate of the tax, cease to levy the 388
increased rate and levy the tax at the rate at which it was 389
imposed immediately prior to the increase in rate. 390

(c) A board of county commissioners, by resolution, may 391
reduce the rate of a tax levied exclusively for the purpose set 392
forth in division (A) (3) of this section to a lower rate 393
authorized by this section. Any such reduction shall be made 394
effective on the first day of the calendar quarter next 395
following the sixty-fifth day after the tax commissioner 396
receives a certified copy of the resolution from the board. 397

(E) If a vendor makes a sale in this state by printed 398
catalog and the consumer computed the tax on the sale based on 399
local rates published in the catalog, any tax levied or repealed 400
or rate changed under this section shall not apply to such a 401
sale until the first day of a calendar quarter following the 402
expiration of one hundred twenty days from the date of notice by 403
the tax commissioner pursuant to division (G) of this section. 404

(F) The tax levied pursuant to this section shall be in 405
addition to the tax levied by section 5739.02 of the Revised 406
Code and any tax levied pursuant to section 5739.021 or 5739.023 407

of the Revised Code. 408

A county that levies a tax pursuant to this section shall 409
levy a tax at the same rate pursuant to section 5741.023 of the 410
Revised Code. 411

The additional tax levied by the county shall be collected 412
pursuant to section 5739.025 of the Revised Code. 413

Any tax levied pursuant to this section is subject to the 414
exemptions provided in section 5739.02 of the Revised Code and 415
in addition shall not be applicable to sales not within the 416
taxing power of a county under the Constitution of the United 417
States or the Ohio Constitution. 418

(G) Upon receipt from a board of county commissioners of a 419
certified copy of a resolution required by division (A) of this 420
section, or from the board of elections a notice of the results 421
of an election required by division (D)(1), (2)(a), (b), or (c) 422
of this section, the tax commissioner shall provide notice of a 423
tax rate change in a manner that is reasonably accessible to all 424
affected vendors. The commissioner shall provide this notice at 425
least sixty days prior to the effective date of the rate change. 426
The commissioner, by rule, may establish the method by which 427
notice will be provided. 428

Section 2. That existing sections 307.283 and 5739.026 of 429
the Revised Code are hereby repealed. 430

Section 3. The amendment by this act of sections 307.283 431
and 5739.026 of the Revised Code applies to all grant revenue 432
derived from tax levies approved on and after the effective date 433
of this section and to grant revenue derived from tax levies 434
approved before that date if the act's amendments concerning the 435
use of such revenue are not inconsistent with the board of 436

county commissioners' resolution levying the tax or the ballot 437
language approved by the electors of the county. For the 438
purposes of this section: 439

(A) A tax levied under section 5739.026 of the Revised 440
Code is "approved" on the date of the election at which the 441
resolution is submitted to and approved by the electors of the 442
county pursuant to division (D) of that section. 443

(B) A tax levied under section 5741.023 of the Revised 444
Code is "approved" on the same date as the corresponding tax 445
levied under section 5739.026 of the Revised Code. 446

(C) "Grant revenue" has the same meaning as in section 447
307.283 of the Revised Code. 448