

As Introduced

132nd General Assembly

Regular Session

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H. B. No. 415

Representatives Greenspan, Ryan

**Cosponsors: Representatives Arndt, Carfagna, Dever, Gavarone, Ginter, Hill, Kick,
Lang, Lipps, Riedel, Schaffer, Seitz, Sweeney, Young**

A BILL

To amend sections 131.44 and 131.51 and to enact 1
section 131.52 of the Revised Code to allocate 2
one-half of any surplus revenue to a new Local 3
Government Road Improvement Fund, from which 4
money will be distributed directly to local 5
governments to fund road improvements. 6

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

Section 1. That sections 131.44 and 131.51 be amended and 7
section 131.52 of the Revised Code be enacted to read as 8
follows: 9

Sec. 131.44. (A) As used in this section: 10

(1) "Surplus revenue" means the excess, if any, of the 11
total fund balance over the required year-end balance. 12

(2) "Total fund balance" means the sum of the unencumbered 13
balance in the general revenue fund on the last day of the 14
preceding fiscal year plus the balance in the budget 15
stabilization fund. 16

(3) "Required year-end balance" means the sum of the	17
following:	18
(a) Eight and one-half per cent of the general revenue	19
fund revenues for the preceding fiscal year;	20
(b) "Ending fund balance," which means one-half of one per	21
cent of general revenue fund revenues for the preceding fiscal	22
year;	23
(c) "Carryover balance," which means, with respect to a	24
fiscal biennium, the excess, if any, of the estimated general	25
revenue fund appropriation and transfer requirement for the	26
second fiscal year of the biennium over the estimated general	27
revenue fund revenue for that fiscal year;	28
(d) "Capital appropriation reserve," which means the	29
amount, if any, of general revenue fund capital appropriations	30
made for the current biennium that the director of budget and	31
management has determined will be encumbered or disbursed;	32
(e) "Income tax reduction impact reserve," which means an	33
amount equal to the reduction projected by the director of	34
budget and management in income tax revenue in the current	35
fiscal year attributable to the previous reduction in the income	36
tax rate made by the tax commissioner pursuant to division (B)	37
of section 5747.02 of the Revised Code.	38
(4) "Estimated general revenue fund appropriation and	39
transfer requirement" means the most recent adjusted	40
appropriations made by the general assembly from the general	41
revenue fund and includes both of the following:	42
(a) Appropriations made and transfers of appropriations	43
from the first fiscal year to the second fiscal year of the	44
biennium in provisions of acts of the general assembly signed by	45

the governor but not yet effective; 46

(b) Transfers of appropriations from the first fiscal year 47
to the second fiscal year of the biennium approved by the 48
controlling board. 49

(5) "Estimated general revenue fund revenue" means the 50
most recent such estimate available to the director of budget 51
and management. 52

(B) (1) Not later than the thirty-first day of July each 53
year, the director of budget and management shall determine the 54
surplus revenue that existed on the preceding thirtieth day of 55
June and transfer from the general revenue fund, to the extent 56
of the unobligated, unencumbered balance on the preceding 57
thirtieth day of June in excess of one-half of one per cent of 58
the general revenue fund revenues in the preceding fiscal year, 59
the following: 60

(a) First, to the local government road improvement fund, 61
fifty per cent of the surplus revenue; 62

(b) Second, to the budget stabilization fund, any amount 63
necessary for the balance of the budget stabilization fund to 64
equal eight and one-half per cent of the general revenue fund 65
revenues of the preceding fiscal year; 66

~~(b) Then~~ (c) Third, to the income tax reduction fund, which 67
is hereby created in the state treasury, an amount equal to the 68
remaining surplus revenue. 69

(2) Not later than the thirty-first day of July each year, 70
the director shall determine the percentage that the balance in 71
the income tax reduction fund is of the amount of revenue that 72
the director estimates will be received from the tax levied 73
under section 5747.02 of the Revised Code in the current fiscal 74

year without regard to any reduction under division (B) of that 75
section. If that percentage exceeds thirty-five one hundredths 76
of one per cent, the director shall certify the percentage to 77
the tax commissioner not later than the thirty-first day of 78
July. 79

(C) The director of budget and management shall transfer 80
money in the income tax reduction fund to the general revenue 81
fund, the local government fund, and the public library fund as 82
necessary to offset revenue reductions resulting from the 83
reductions in taxes required under division (B) of section 84
5747.02 of the Revised Code in the respective amounts and 85
percentages prescribed by division (A) of section 5747.03 and 86
divisions (A) and (B) of section 131.51 of the Revised Code as 87
if the amount transferred had been collected as taxes under 88
Chapter 5747. of the Revised Code. If no reductions in taxes are 89
made under that division that affect revenue received in the 90
current fiscal year, the director shall not transfer money from 91
the income tax reduction fund to the general revenue fund, the 92
local government fund, and the public library fund. 93

Sec. 131.51. (A) On or before the seventh day of each 94
month, the director of budget and management shall credit to the 95
local government fund one and sixty-six one-hundredths per cent 96
of the total tax revenue credited to the general revenue fund 97
during the preceding month. In determining the total tax revenue 98
credited to the general revenue fund during the preceding month, 99
the director shall include amounts transferred from the fund 100
during the preceding month under this division and division (B) 101
of this section. Money shall be distributed from the local 102
government fund as required under sections 5747.50 and 5747.503 103
of the Revised Code during the same month in which it is 104
credited to the fund. 105

(B) On or before the seventh day of each month, the 106
director of budget and management shall credit to the public 107
library fund one and sixty-six one-hundredths per cent of the 108
total tax revenue credited to the general revenue fund during 109
the preceding month. In determining the total tax revenue 110
credited to the general revenue fund during the preceding month, 111
the director shall include amounts transferred from the fund 112
during the preceding month under this division and division (A) 113
of this section. Money shall be distributed from the public 114
library fund as required under section 5747.47 of the Revised 115
Code during the same month in which it is credited to the fund. 116

(C) The director of budget and management shall develop a 117
schedule identifying the specific tax revenue sources to be used 118
to make the monthly transfers required under divisions (A) and 119
(B) of this section. The director may, from time to time, revise 120
the schedule as the director considers necessary. 121

(D) No act of the general assembly shall reduce the amount 122
to be credited to the local government fund each month to an 123
amount that is less than one and sixty-six one-hundredths of one 124
per cent of the total tax revenue credited to the general 125
revenue fund during the preceding month. 126

Sec. 131.52. (A) There is hereby created in the state 127
treasury the local government road improvement fund. The fund 128
shall consist of money transferred to it pursuant to section 129
131.44 of the Revised Code and of any other amounts appropriated 130
to it. 131

(B) The director of budget and management shall distribute 132
all money in the local government road improvement fund to 133
counties. The amount distributed to each county shall equal the 134
product of the following: 135

(1) The balance of the local government road improvement 136
fund; 137

(2) A fraction, the numerator of which is the number of 138
lane miles of roadways in the county maintained by a political 139
subdivision and the denominator of which is the total number of 140
lane miles of roadways in the state maintained by a political 141
subdivision. 142

(C) Money distributed to a county under division (B) of 143
this section shall be credited to the undivided local government 144
road improvement fund in the treasury of the county. Within 145
thirty days after the receipt of money into such fund, the 146
county auditor shall determine the amount to be paid from the 147
fund to each political subdivision in the county. Each political 148
subdivision shall receive the product of the following: 149

(1) The balance of the undivided local government road 150
improvement fund; 151

(2) A fraction, the numerator of which is the number of 152
lane miles of roadways maintained by the political subdivision 153
and the denominator of which is the total number of lane miles 154
of roadways maintained by political subdivisions in the county. 155

The county auditor shall issue warrants against the 156
undivided local government road improvement fund in the amounts 157
to be paid to political subdivisions pursuant to this division, 158
and the county treasurer shall pay such amounts to those 159
political subdivisions. 160

(D) Amounts distributed to a political subdivision under 161
this section shall be used solely for road improvements. A 162
political subdivision may use the funds distributed to it in the 163
year in which the distribution is received or in any succeeding 164

year. 165

Section 2. That existing sections 131.44 and 131.51 of the 166
Revised Code are hereby repealed. 167

Section 3. The amendment or enactment by this act of 168
sections 131.44, 131.51, and 131.52 of the Revised Code applies 169
on and after July 1, 2019. 170