

AN ACT

To amend sections 5747.53 and 5747.63 of the Revised Code relative to alternative apportionment of the undivided local government fund and undivided local government revenue assistance fund by a county budget commission, and to declare an emergency.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 5747.53 and 5747.63 of the Revised Code be amended to read as follows:

Sec. 5747.53. (A) In lieu of the method of apportionment of the undivided local government fund of the county provided by section 5747.51 of the Revised Code, the county budget commission may provide for the apportionment of such fund under an alternative method or on a formula basis as authorized by this section. Such alternative method of apportionment shall have first been approved by all of the following governmental units: the board of county commissioners; the legislative authority of the city, located wholly or partially in the county, with the greatest population; and a majority of the boards of township trustees and legislative authorities of municipal corporations, located wholly or partially in the county, excluding the legislative authority of the city with the greatest population. In granting or denying such approval, the board of county commissioners, boards of township trustees, and legislative authorities of municipal corporations shall act by motion. A motion to approve shall be passed upon a majority vote of the members of a board of county commissioners, board of township trustees, or legislative authority of a municipal corporation, shall take effect immediately, and need not be published. Any method of apportionment adopted and approved under this section may be revised, amended, or repealed in the same manner as it may be adopted and approved. In the event a method of apportionment adopted and approved under this section is repealed, the undivided local government fund of the county shall be apportioned among the subdivisions eligible to participate therein, commencing in the ensuing calendar year, under the apportionment provided in section 5747.52 of the Revised Code, unless a

new method for apportionment of such fund is provided in the action of repeal.

As used in this division, the term "legislative authority of the city, located wholly or partially in the county, with the greatest population" means the legislative authority of the city, located wholly or partially in the county, with the greatest population residing in the county; however, if the county budget commission on or before January 1, 1998, adopted an alternative method of apportionment which was approved by the legislative authority of the city, located partially in the county, with the greatest population but not the greatest population residing in the county, the term shall be deemed to mean the legislative authority of the city, located wholly or partially in the county, with the greatest population whether residing in the county or not, if such alternative meaning is adopted by action of the board of county commissioners and a majority of the boards of township trustees and legislative authorities of municipal corporations located wholly or partially in the county.

(B) In determining the alternative method of apportionment authorized by this section, the county budget commission may include in such method any factor considered to be appropriate and reliable, in the sole discretion of the county budget commission.

(C) The limitations set forth in section 5747.51 of the Revised Code, stating the maximum amount that the county may receive from such fund and the minimum amount the townships in counties having a population of less than one hundred thousand may receive from such fund, are applicable to any alternative apportionment authorized under this section.

(D) On the basis of any alternative apportionment adopted and approved as authorized by this section, as certified by the auditor to the county treasurer, the county treasurer shall make distribution of the money in the undivided local government fund to each subdivision eligible to participate in such fund, and the auditor, when the amount of such shares is in the custody of the treasurer in the amounts so computed to be due the respective subdivisions, shall at the same time certify to the tax commissioner the percentage share of the county as a subdivision. All money received into the treasury of a subdivision from the undivided local government fund in a county treasury shall be paid into the general fund and used for the current operating expenses of the subdivision. If a municipal corporation maintains a municipal university, such municipal university, when the board of trustees so requests the legislative authority of the municipal corporation, shall participate in the money apportioned to such municipal corporation from the total local government fund, however created and constituted, in

such amount as requested by the board of trustees, provided such sum does not exceed nine per cent of the total amount paid to the municipal corporation.

(E) The actions of the budget commission taken pursuant to this section are final and may not be appealed to the board of tax appeals, except on the issues of abuse of discretion and failure to comply with the formula.

Sec. 5747.63. (A) In lieu of the method of apportionment of the undivided local government revenue assistance fund of the county provided by section 5747.62 of the Revised Code, the county budget commission may provide for the apportionment of such fund under an alternative method or on a formula basis as authorized by this section. Such alternative method of apportionment shall have first been approved by all of the following governmental units: the board of county commissioners; the legislative authority of the city, located wholly or partially in the county, with the greatest population; and a majority of the boards of township trustees and legislative authorities of municipal corporations, located wholly or partially in the county, excluding the legislative authority of the city with the greatest population. In granting or denying such approval, the board of county commissioners, boards of township trustees, and legislative authorities of municipal corporations shall act by motion. A motion to approve shall be passed upon a majority vote of the members of a board of county commissioners, board of township trustees, or legislative authority of a municipal corporation, shall take effect immediately, and need not be published. Any method of apportionment adopted and approved under this section may be revised, amended, or repealed in the same manner as it may be adopted and approved. In the event a method of apportionment adopted and approved under this section is repealed, the undivided local government revenue assistance fund of the county shall be apportioned among the subdivisions eligible to participate therein, commencing in the ensuing fiscal year, under the apportionment provided in section 5747.62 of the Revised Code, unless a new method for apportionment of such fund is provided in the action of repeal.

As used in this division, the term "legislative authority of the city, located wholly or partially in the county, with the greatest population" means the legislative authority of the city, located wholly or partially in the county, with the greatest population residing in the county; however, if the county budget commission on or before January 1, 1998, adopted an alternative method of apportionment which was approved by the legislative authority of the city, located partially in the county, with the greatest population but not the greatest population residing in the county, the term

shall be deemed to mean the legislative authority of the city, located wholly or partially in the county, with the greatest population whether residing in the county or not, if such alternative meaning is adopted by action of the board of county commissioners and a majority of the boards of township trustees and legislative authorities of municipal corporations located wholly or partially in the county.

(B) In determining the alternative method of apportionment authorized by this section, the county budget commission may include in such method any factor considered to be appropriate and reliable, in the sole discretion of the county budget commission, but the commission shall give special consideration to the needs of villages incorporated after January 1, 1980.

(C) The limitations set forth in section 5747.62 of the Revised Code, stating the maximum amount that the county may receive from such fund and the minimum amount the townships in counties having a population of less than one hundred thousand may receive from such fund, are applicable to any alternative apportionment authorized under this section.

(D) On the basis of any alternative apportionment adopted and approved as authorized by this section, as certified by the auditor to the county treasurer, the county treasurer shall make distribution of the money in the undivided local government revenue assistance fund to each subdivision eligible to participate in such fund, and the auditor, when the amount of such shares is in the custody of the treasurer in the amounts so computed to be due the respective subdivisions, shall at the same time certify to the tax commissioner the percentage share of the county as a subdivision. All money received by a subdivision from the county undivided local government revenue assistance fund shall be paid into the subdivision's general fund and used for the current operating expenses.

(E) The actions of the budget commission taken pursuant to this section are final and may not be appealed to the board of tax appeals, except on the issues of abuse of discretion and failure to comply with the formula.

SECTION 2. That existing sections 5747.53 and 5747.63 of the Revised Code are hereby repealed.

SECTION 3. This act is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, and safety. The reason for such necessity lies in the fact that taxing authorities of political subdivisions are required to adopt tax budgets for the next succeeding fiscal year on or before July 15, and the tax budgets they adopt depend, in part, upon the revenue they will receive from the undivided local government fund and undivided local government revenue assistance fund. Therefore, this act shall go into immediate effect.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

Sub. H. B. No. 185

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The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the
____ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____