

AN ACT

To amend sections 118.13, 325.03, 325.14, 325.15, 3315.40, 3316.12, 3316.20, 3317.025, 3317.026, 3317.027, 3317.028, 3317.0210, 3317.0211, 3318.07, 5705.281, 5705.29, 5705.30, 5705.31, 5705.32, 5705.34, 5705.341, 5705.35, 5705.38, 5705.391, 5705.51, and 5727.84 of the Revised Code to permit a county budget commission to waive the requirement that a taxing authority adopt a tax budget for a subdivision or taxing unit, to require that certain adjustments in state aid be reduced if a school district received a grant from the catastrophic expenditures account for the same reason that the adjustment was made, to modify the notification procedure for potential school district fiscal deficits, to revise the percentages of the kilowatt-hour and natural gas tax receipts that are credited to the school district and local government property tax replacement funds, to modify the manner of recomputing basic aid for school districts affected by bankrupt taxpayers, and to correct printing errors in county official salary schedules.

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

SECTION 1. That sections 118.13, 325.03, 325.14, 325.15, 3315.40, 3316.12, 3316.20, 3317.025, 3317.026, 3317.027, 3317.028, 3317.0210, 3317.0211, 3318.07, 5705.281, 5705.29, 5705.30, 5705.31, 5705.32, 5705.34, 5705.341, 5705.35, 5705.38, 5705.391, 5705.51, and 5727.84 of the Revised Code be amended to read as follows:

Sec. 118.13. (A) No appropriation measure may be adopted contrary to the financial plan approved by the financial planning and supervision commission. Any existing appropriation measure inconsistent with the

approved financial plan is ineffective for purposes of any expenditures to the extent it authorizes expenditures in excess of the revenues available after approval of the financial plan, and shall be amended promptly by the legislative authority of the municipal corporation, county, or township to be consistent with the financial plan. Any appropriation measure prior to approval by the legislative authority of the municipal corporation, county, or township shall be submitted to the commission or, when authorized by the commission, the financial supervisor for review to determine whether the measure is consistent with the financial plan. The municipal corporation, county, or township, through the appropriate representatives of the legislative authority and the fiscal officer, shall cooperate with the commission or the financial supervisor in such review. The commission or the financial supervisor shall advise of any modifications in such appropriation measure deemed necessary to conform to the financial plan.

(B) Prior to giving a certificate of estimated resources or amendment thereof to the municipal corporation, county, or township, the county budget commission shall consult with the commission, and the commission shall revise such certificate or amended certificate in any respect in which the certificate or amended certificate is, in its judgment, inconsistent with the financial plan.

(C) Any tax budget of the municipal corporation, county, or township shall be consistent with the financial plan approved by the commission. Before submitting the tax budget to the county auditor, the municipal corporation, county, or township shall submit such tax budget to the commission and shall cooperate with the commission in its review of such tax budget. The municipal corporation, county, or township shall make such modifications in the tax budget as the commission determines to be necessary to conform to the financial plan. If the municipal corporation, county, or township fails to make such modifications, the commission shall certify to the budget commission the modifications necessary to conform to the financial plan, and the budget commission shall make such modifications. This division does not apply to a county, township, or municipal corporation for which the county budget commission has waived the requirement to adopt a tax budget pursuant to section 5705.281 of the Revised Code.

(D) Nothing in this section, and no delay or failure or refusal to act under or comply with the provisions of this section, delays, modifies, or affects the expenditure restrictions contained in section 118.12 of the Revised Code.

(E) For purposes of the financial plan, tax budgets, and certificates of

stimated resources, the revenue estimates shall not include revenues conditioned upon future favorable action by the electorate of the municipal corporation, county, or township or by the general assembly or congress, other than appropriations of moneys for existing and continuing programs at current levels. The estimate of revenues for any month shall separately state and designate as conditional those revenues which are conditioned upon the future issuance of debt obligations, transfers of funds, advances from funds, payments or reimbursements from the sale of debt obligations, sale of capital assets of the municipal corporation, county, or township, increases in utility rates and other charges, or imposition or increase in taxes, and shall be accompanied by documentation showing that the council or official with authority to act to achieve realization of such conditional revenues ~~have~~ has acted in time for realization of such revenues in the month or months indicated. In any event, there shall not be included any source or amount which in the judgment of the commission, or when authorized by the commission, the financial supervisor, is uncertain of realization to form a proper basis for financial planning or budgeting.

Sec. 325.03. Each county auditor shall be classified, for salary purposes, according to the population of the county. All county auditors shall receive annual compensation in accordance with the following schedules and in accordance with section 325.18 of the Revised Code:

(A) CLASSIFICATION AND COMPENSATION SCHEDULE
FOR ~~CALENDER~~ CALENDAR YEAR 2000

Class	Population Range	Compensation
1	1 - 20,000	\$39,368
2	20,001 - 40,000	41,706
3	40,001 - 55,000	43,911
4	55,001 - 70,000	45,376
5	70,001 - 85,000	46,876
6	85,001 - 95,000	51,801
7	95,001 - 105,000	53,383
8	105,001 - 125,000	54,927
9	125,001 - 175,000	57,950
10	175,001 - 275,000	59,911
11	275,001 - 400,000	65,004
12	400,001 - 550,000	67,213
13	550,001 - 1,000,000	69,267
14	Over 1,000,000	71,225

(B) CLASSIFICATION AND COMPENSATION SCHEDULE
FOR ~~CALENDER~~ CALENDAR YEAR ~~2000~~ 2001

Class	Population Range	Compensation
1	1 - 20,000	\$40,549
2	20,001 - 40,000	42,957
3	40,001 - 55,000	45,228
4	55,001 - 70,000	46,737
5	70,001 - 85,000	48,282
6	85,001 - 95,000	53,356
7	95,001 - 105,000	54,983
8	105,001 - 125,000	56,575
9	125,001 - 175,000	59,690
10	175,001 - 275,000	61,708
11	275,001 - 400,000	66,953
12	400,001 - 550,000	69,229
13	550,001 -1,000,000	71,345
14	Over 1,000,000	73,362

(C) CLASSIFICATION AND COMPENSATION SCHEDULE
FOR ~~CALENDAR~~ CALENDAR YEAR 2002

Class	Population Range	Compensation
1	1 - 20,000	\$41,765
2	20,001 - 40,000	44,246
3	40,001 - 55,000	46,585
4	55,001 - 70,000	48,139
5	70,001 - 85,000	49,731
6	85,001 - 95,000	54,957
7	95,001 - 105,000	56,633
8	105,001 - 125,000	58,272
9	125,001 - 175,000	61,480
10	175,001 - 275,000	63,560
11	275,001 - 400,000	68,962
12	400,001 - 550,000	71,306
13	550,001 -1,000,000	73,485
14	Over 1,000,000	75,563

(D) CLASSIFICATION AND COMPENSATION SCHEDULE
AFTER ~~CALENDAR~~ CALENDAR YEAR ~~2000~~ 2002

Class	Population Range	Compensation
1	1 - 20,000	\$45,573
2	20,001 - 35,000	47,983
3	35,001 - 55,000	49,584
4	55,001 - 95,000	58,332
5	95,001 - 200,000	65,466

6	200,001 - 400,000	73,445
7	400,001 - 1,000,000	77,829
8	1,000,001 or more	80,164

Sec. 325.14. (A) Each county engineer shall be classified, for salary purposes, according to the population of the county. All county engineers shall receive annual compensation in accordance with the following schedules and in accordance with section 325.18 of the Revised Code:

CLASSIFICATION AND COMPENSATION SCHEDULE
FOR ~~CALENDAR~~ CALENDAR YEAR 2000 FOR
COUNTY ENGINEERS WITH A PRIVATE PRACTICE

Class	Population Range	Compensation
1	1 - 20,000	\$44,898
2	20,001 - 40,000	46,893
3	40,001 - 55,000	48,889
4	55,001 - 70,000	50,884
5	70,001 - 85,000	52,215
6	85,001 - 95,000	53,545
7	95,001 - 105,000	54,875
8	105,001 - 125,000	55,707
9	125,001 - 175,000	57,370
10	175,001 - 275,000	59,033
11	275,001 - 400,000	60,695
12	400,001 - 600,000	62,358
13	600,001 - 1,000,000	64,021
14	Over 1,000,000	66,516

CLASSIFICATION AND COMPENSATION SCHEDULE
FOR ~~CALENDAR~~ CALENDAR YEAR 2000 FOR
COUNTY ENGINEERS ~~WITH~~ WITHOUT A PRIVATE PRACTICE

Class	Population Range	Compensation
1	1 - 20,000	\$64,694
2	20,001 - 40,000	66,690
3	40,001 - 55,000	68,686
4	55,001 - 70,000	70,681
5	70,001 - 85,000	72,011
6	85,001 - 95,000	73,342
7	95,001 - 105,000	74,672
8	105,001 - 125,000	75,503
9	125,001 - 175,000	77,166
10	175,001 - 275,000	78,829
11	275,001 - 400,000	80,492

12	400,001 - 600,000	82,155
13	600,001 - 1,000,000	83,818
14	Over 1,000,000	86,312

CLASSIFICATION AND COMPENSATION SCHEDULE
 FOR ~~CALENDAR~~ CALENDAR YEAR ~~2000~~ 2001 FOR
 COUNTY ENGINEERS WITH A PRIVATE PRACTICE

Class	Population Range	Compensation
1	1 - 20,000	\$48,300
2	20,001 - 35,000	50,356
3	35,001 - 55,000	52,411
4	55,001 - 95,000	56,521
5	95,001 - 200,000	60,803
6	200,001 - 400,000	64,229
7	400,001 - 1,000,000	68,510
8	1,000,001 or more	71,182

CLASSIFICATION AND COMPENSATION SCHEDULE
 FOR ~~CALENDAR~~ CALENDAR YEAR ~~2000~~ 2001 FOR
 COUNTY ENGINEERS ~~WITH~~ WITHOUT A PRIVATE PRACTICE

Class	Population Range	Compensation
1	1 - 20,000	\$68,691
2	20,001 - 35,000	70,746
3	35,001 - 55,000	72,801
4	55,001 - 95,000	76,912
5	95,001 - 200,000	81,193
6	200,001 - 400,000	84,619
7	400,001 - 1,000,000	88,901
8	1,000,001 or more	91,568

Such salary may be paid monthly out of the general county fund or out of the county's share of the fund derived from the receipts from motor vehicle licenses, as distributed by section 4501.04 of the Revised Code, and the county's share of the fund derived from the motor vehicle fuel tax, as distributed by section 5735.27 of the Revised Code, as the board of county commissioners directs, upon the warrant of the county auditor and shall be in lieu of all fees, costs, per diem or other allowances, and other perquisites, of whatever kind, which any engineer collects and receives. The engineer shall be the county tax map draftperson, but shall receive no additional compensation for performing the duties of that position. When the engineer performs service in connection with ditches or drainage works, the engineer shall charge and collect the per diem allowances or other fees provided by law and shall pay all of those allowances and fees, monthly, into the county

treasury to the credit of the general county fund. The engineer shall pay into the county treasury all allowances and fees collected when the engineer performs services under sections 315.28 to 315.34 of the Revised Code.

(B) A county engineer may elect to engage or not to engage in the private practice of engineering or surveying before the commencement of each new term of office, and a county engineer who elects not to engage in the private practice of engineering or surveying may, for a period of six months after taking office, engage in the private practice of engineering or surveying for the purpose of concluding the affairs of private practice without any diminution of salary as provided in division (A) of this section and in section 325.18 of the Revised Code.

Sec. 325.15. (A) Each coroner shall be classified, for salary purposes, according to the population of the county. All coroners shall receive annual compensation in accordance with the following schedules and in accordance with section 325.18 of the Revised Code:

**CLASSIFICATION AND COMPENSATION SCHEDULE
FOR ~~CALENDAR~~ CALENDAR YEAR 2000 FOR
CORONERS WITH A PRIVATE PRACTICE**

Class	Population Range	Compensation
1	1 - 20,000	\$16,628
2	20,001 - 40,000	18,293
3	40,001 - 55,000	20,786
4	55,001 - 70,000	23,280
5	70,001 - 85,000	25,774
6	85,001 - 95,000	31,595
7	95,001 - 105,000	34,089
8	105,001 - 125,000	36,584
9	125,001 - 175,000	39,909
10	175,001 - 275,000	42,404
11	275,001 - 400,000	49,054
12	400,001 - 600,000	52,380
13	600,001 - 1,000,000	55,706
14	Over 1,000,000	59,032

**CLASSIFICATION AND COMPENSATION SCHEDULE
FOR ~~CALENDAR~~ CALENDAR YEAR 2000 FOR
CORONERS ~~WITH~~ WITHOUT A PRIVATE PRACTICE**

Class	Population Range	Compensation
10	175,001 - 275,000	\$95,815
11	275,001 - 400,000	95,815
12	400,001 - 600,000	95,815

13	600,001 - 1,000,000	95,815
14	Over 1,000,000	95,815

CLASSIFICATION AND COMPENSATION SCHEDULE
FOR CALENDAR YEAR 2001 FOR
CORONERS WITH A PRIVATE PRACTICE

Class	Population Range	Compensation
1	1 - 20,000	\$18,842
2	20,001 - 35,000	21,410
3	35,001 - 55,000	23,978
4	55,001 - 95,000	35,112
5	95,001 - 200,000	43,676
6	200,001 - 400,000	53,951
7	400,001 - 1,000,000	60,803
8	1,000,001 or more	64,451

CLASSIFICATION AND COMPENSATION SCHEDULE
FOR CALENDAR YEAR 2001 FOR
CORONERS WITHOUT A PRIVATE PRACTICE

Class	Population Range	Compensation
5	175,001 - 200,000	\$98,689
6	200,001 - 400,000	98,689
7	400,001 - 1,000,000	101,085
8	1,000,001 or more	103,480

(B) A coroner in a county with a population of one hundred seventy-five thousand one or more shall not engage in the private practice of medicine unless, before taking office, the coroner notifies the board of county commissioners of the intention to engage in that private practice.

A coroner in a county with a population of one hundred seventy-five thousand one or more shall elect to engage or not to engage in the private practice of medicine before the commencement of each new term of office, and a coroner in such a county who engages in the private practice of medicine but who intends not to engage in the private practice of medicine during the coroner's next term of office shall so notify the board of county commissioners as specified in this division. For a period of six months after taking office, a coroner who elects not to engage in the private practice of medicine may engage in the private practice of medicine, without any reduction of the salary as provided in division (A) of this section and in section 325.18 of the Revised Code, for the purpose of concluding the affairs of the coroner's private practice of medicine.

Sec. 3315.40. The board of education of a city, local, exempted village, or joint vocational school district or the governing board of any educational

service center may establish an education foundation fund. Moneys in the fund shall consist of proceeds paid into the fund under division (B) of section 3313.36 of the Revised Code. In addition, by resolution adopted by a majority of its members, a city, local, exempted village, or joint vocational board may annually direct the school district treasurer to pay into the education foundation fund an amount from the school district general fund not to exceed one-half of one per cent of the total ~~estimated~~ appropriations included in of the school district's tax budget adopted pursuant to section 5705.28 of the Revised Code ~~district as estimated by the board at the time the resolution is adopted or as set forth in the annual appropriation measure as most recently amended or supplemented~~; and any governing board, by resolution adopted by a majority of its members, may annually direct the service center treasurer to pay into the education foundation fund an amount not to exceed one-half of one per cent of the funds received by the governing board pursuant to section 3317.11 of the Revised Code.

Income from the investment of moneys in the fund shall be paid into the fund. A board, by resolution adopted by a majority of its members, may accept a trust created under section 3315.41 of the Revised Code for the investment of money in the educational foundation fund and direct the school district or service center treasurer to pay to the trustee, the initial trust principal contemplated by the instrument creating the trust. A board that has accepted a trust created under section 3315.41 of the Revised Code may do any of the following by resolution adopted by a majority of its members: direct the school district or service center treasurer to pay additional amounts to the trust principal, amend the trust, revoke the trust, or provide for payment of compensation to the trustee.

Moneys in the fund shall be expended only by resolution adopted by a majority of the members of the board for operating or capital costs of any existing or new and innovative program designed to enhance or promote education within the district or service center, such as scholarships for students or teachers.

A board of education or governing board may appoint a committee of administrators to administer the education foundation fund and to make recommendations for the use of the fund. Members of the committee shall serve at the discretion of the appointing board. Members shall receive no compensation, but may be reimbursed for actual and necessary expenses incurred in the performance of their official duties.

Sec. 3316.12. (A) No appropriation measure may be adopted nor any expenditure made contrary to the financial recovery plan adopted by a school district financial planning and supervision commission. Any existing

appropriation measure inconsistent with the adopted financial recovery plan is ineffective for purposes of any expenditures to the extent that it authorizes expenditures in excess of the revenues available after adoption of the financial recovery plan, and, if not amended by the commission, shall be amended promptly by the board of education of the school district to be consistent with the plan. Any appropriation measure prior to approval by the board of education of the school district shall be submitted to the commission for review to determine whether the measure is consistent with the financial recovery plan. The school district, through the appropriate representatives of the board of education and the fiscal officer, shall cooperate with the commission in this review. The commission shall report any modifications in the appropriation measure considered necessary to conform to the financial recovery plan.

(B) Prior to giving a certificate of estimated resources or amendment of it to the school district, the county budget commission shall consult with the commission, and the commission shall revise the certificate or amended certificate in any respect in which the certificate or amended certificate is, in its judgment, inconsistent with the financial recovery plan.

(C) Any tax budget of the school district shall be consistent with the financial recovery plan approved by the commission. Before submitting a tax budget to the county auditor, the school district board of education shall submit the tax budget to the commission for amendments. The commission shall make such modifications in the tax budget as the commission determines to be necessary to conform to the financial recovery plan. This division does not apply to a school district for which the county budget commission has waived the requirement to adopt a tax budget pursuant to section 5705.281 of the Revised Code.

(D) For purposes of the financial recovery plan, tax budgets, and certificates of estimated resources, the revenue estimates shall not include revenues conditioned upon future favorable action by the electorate of the school district or by the general assembly or congress, other than appropriations of moneys for existing and continuing programs at current levels. The estimate of revenues for any month shall separately state and designate as conditional those revenues that are conditioned upon the future issuance of debt obligations, transfers of funds, advances from funds, payments or reimbursements from the sale of debt obligations, sale of capital assets of the school district, increases in or implementation of fees or other charges, or imposition of or increases in taxes, and shall be accompanied by documentation showing that the officials with authority to act to achieve realization of such conditional revenues have acted in time for

realization of such revenues in the month or months indicated. In any event, there shall not be included any source or amount that in the judgment of the commission is uncertain of realization to form a proper basis for financial planning or budgeting.

Sec. 3316.20. (A)(1) The school district solvency assistance fund is hereby created in the state treasury, to consist of such amounts designated for the purposes of the fund by the general assembly. The fund shall be used to provide assistance and grants to school districts to enable them to remain solvent and to pay unforeseeable expenses of a temporary or emergency nature that they are unable to pay from existing resources.

(2) There is hereby created within the fund an account known as the school district shared resource account, which shall consist of money appropriated to it by the general assembly. The money in the account shall be used solely for solvency assistance to school districts that have been declared under division (B) of section 3316.03 of the Revised Code to be in a state of fiscal emergency.

(3) There is hereby created within the fund an account known as the catastrophic expenditures account, which shall consist of money appropriated to the account by the general assembly plus all investment earnings of the fund. Money in the account shall be used solely for the following:

(a) Solvency assistance to school districts that have been declared under division (B) of section 3316.03 of the Revised Code to be in a state of fiscal emergency, in the event that all money in the shared resource account is utilized for solvency assistance;

(b) Grants to school districts under division (C) of this section.

(B) Solvency assistance payments under division (A)(2) or (3)(a) of this section shall be made from the fund by the superintendent of public instruction in accordance with rules adopted by the director of budget and management, after consulting with the superintendent, specifying approval criteria and procedures necessary for administering the fund.

The fund shall be reimbursed for any solvency assistance amounts paid under division (A)(2) or (3)(a) of this section not later than the end of the second fiscal year following the fiscal year in which the solvency assistance payment was made. If not made directly by the school district, such reimbursement shall be made by the director of budget and management from the amounts the school district would otherwise receive pursuant to sections 3317.022 to 3317.025 of the Revised Code, or from any other funds appropriated for the district by the general assembly. Reimbursements shall be credited to the respective account from which the solvency assistance

paid to the district was deducted.

(C) The superintendent of public instruction may make recommendations, and the controlling board may grant money from the catastrophic expenditures account to any school district that suffers an unforeseen catastrophic event that severely depletes the district's financial resources. The superintendent shall make recommendations for the grants in accordance with rules adopted by the director of budget and management, after consulting with the superintendent. A school district shall not be required to repay any grant awarded to the district under this division, unless the district receives money from this state or a third party, including an agency of the government of the United States, specifically for the purpose of compensating the district for revenue lost or expenses incurred as a result of the unforeseen catastrophic event. If a school district receives a grant from the catastrophic expenditures account on the basis of the same circumstances for which an adjustment or recomputation is authorized under section 3317.025, 3317.026, 3317.027, 3317.028, 3317.0210, or 3317.0211 of the Revised Code, the department of education shall reduce the adjustment or recomputation by an amount not to exceed the total amount of the grant, and an amount equal to the reduction shall be transferred, from the funding source from which the adjustment or recomputation would be paid, to the catastrophic expenditures account. Any adjustment or recomputation under such sections that is in excess of the total amount of the grant shall be paid to the school district.

Sec. 3317.025. On or before the first day of June of each year, the tax commissioner shall certify the following information to the department of education, for each school district in which the value of the property described under division (A) of this section exceeds one per cent of the taxable value of all real and tangible personal property in the district or in which is located tangible personal property designed for use or used in strip mining operations, whose taxable value exceeds five million dollars, and the taxes upon which the district is precluded from collecting by virtue of legal proceedings to determine the value of such property:

(A) The total taxable value of all property in the district owned by a public utility or railroad that has filed a petition for reorganization under the "Bankruptcy Act," 47 Stat. 1474 (1898), 11 U.S.C. 205, as amended, and all tangible personal property in the district designed for use or used in strip mining operations whose taxable value exceeds five million dollars upon which have not been paid in full on or before the first day of April of that calendar year all real and tangible personal property taxes levied for the preceding calendar year and which the district was precluded from

collecting by virtue of proceedings under section 205 of said act or by virtue of legal proceedings to determine the tax liability of such strip mining equipment;

(B) The percentage of the total operating taxes charged and payable for school district purposes levied against such valuation for the preceding calendar year ~~which~~ that have not been paid by such date;

(C) The product obtained by multiplying the value certified under division (A) of this section by the percentage certified under division (B) of this section. If the value certified under division (A) of this section includes taxable property owned by a public utility or railroad that has filed a petition for reorganization under the bankruptcy act, the amount used in making the calculation under this division shall be reduced by one per cent of the total value of all real and tangible personal property in the district or the value of the utility's or railroad's property, whichever is less.

Upon receipt of the certification, the department shall recompute the payments required under section 3317.022 of the Revised Code in the manner the payments would have been computed if:

(1) The amount certified under division (C) of this section was not subject to taxation by the district and was not included in the certification made under division (A)(1), (A)(2), or (D) of section 3317.021 of the Revised Code.

(2) The amount of taxes charged and payable and unpaid and used to make the computation under division (B) of this section had not been levied and had not been used in the computation required by division (B) of section 3317.021 of the Revised Code. The department shall pay the district that amount in the ensuing fiscal year in lieu of the amounts computed under section 3317.022 of the Revised Code.

If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the basis of the same circumstances for which a recomputation is made under this section, the amount of the recomputation shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. 3317.026. (A) As used in this section, "refunded taxes" means taxes charged and payable from real and tangible personal property, including public utility property, that have been found to have been overpaid as the result of reductions in the taxable value of such property and that have been refunded, including any interest or penalty refunded with those taxes. If taxes are refunded over a period of time pursuant to division (B)(2), (3), or (4) of section 319.36 or division (C) of section 5727.471 of the Revised

Code, the total amount of taxes required to be refunded, excluding any interest accruing after the day the undertaking is entered into, shall be considered to have been refunded on the day the first portion of the overpayment is paid or credited.

(B) Not later than the last day of February each year, each county auditor shall certify to the tax commissioner, for each school district in the county, the amount of refunded taxes refunded in the preceding calendar year and the reductions in taxable value that resulted in those refunds, except for reductions in taxable value that previously have been reported to the tax commissioner on an abstract. If the tax commissioner determines that the amount of refunded taxes certified for a school district exceeds three per cent of the total taxes charged and payable for current expenses of the school district for the calendar year in which those taxes were refunded, the tax commissioner shall certify the reductions in taxable value that resulted in those refunds on or before the first day of June to the department of education. Upon receiving the certification by the tax commissioner, the department of education shall reduce the total taxable value of the school district, as defined in section 3317.02 of the Revised Code, by the total amount of the reductions in taxable value that resulted in those refunds for the purpose of computing the state aid for the school district for the current fiscal year under section 3317.022 of the Revised Code. The increase in the amount of such aid resulting from the adjustment required by this section shall be paid to the school district on or before the thirtieth day of June of the current year.

(C) If an adjustment is made under this section in the amount of state aid paid to a school district, the tax value reductions from which that adjustment results shall not be used in recomputing aid to a school district under section 3317.027 of the Revised Code.

(D) If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the basis of the same circumstances for which an adjustment is made under this section, the amount of the adjustment shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. 3317.027. On or before the fifteenth day of May of each year, the tax commissioner shall certify to the department of education:

(A) The amount by which applications filed under section 5713.38 of the Revised Code or complaints filed under section 5715.19 of the Revised Code resulted in a reduction in the second preceding year's taxable value in each school district in which such a reduction occurred, and the amount by

which such reduction reduced the district's taxes charged and payable for such year; and

(B) The taxes charged and payable for the second preceding tax year that were remitted under section 5713.081 of the Revised Code and the taxable value against which such taxes were imposed.

Upon receipt of such certifications, the department shall recompute the state aid for such year under section 3317.022 of the Revised Code and determine the amount of aid that would have been paid had the taxable value not been used in the computation made under division (A)(1) of section 3317.021 of the Revised Code and had the taxes charged and payable not been included in the certification made under division (A)(3) of such section. The department shall adjust the remainder of the fiscal year's payments so the district's total payments for the fiscal year equal the amount of the recomputation.

If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the basis of the same circumstances for which a recomputation is made under this section, the amount of the recomputation shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. 3317.028. (A) On or before the fifteenth day of May in each calendar year, the tax commissioner shall determine for each school district whether the taxable value of all tangible personal property, including utility tangible personal property, subject to taxation by the district in the preceding tax year was less or greater than the taxable value of such property during the second preceding tax year. If any such decrease exceeds five per cent of the district's tangible personal property taxable value included in the total taxable value used in the district's state aid computation for the fiscal year that ends in the current calendar year, or if any such increase exceeds five per cent of the district's total taxable value used in the district's state aid computation for the fiscal year that ends in the current calendar year, the tax commissioner shall certify both of the following to the department of education:

(1) The taxable value of the tangible personal property increase or decrease, including utility tangible personal property increase or decrease, which shall be considered a change in valuation;

(2) The decrease or increase in taxes charged and payable on such change in taxable value calculated in the same manner as in division (A)(3) of section 3317.021 of the Revised Code.

(B) Notwithstanding division (A) of this section, when determining

under that division in calendar year 2002 whether the taxable value of tangible personal property subject to taxation by each school district in the preceding tax year was less or greater than the taxable value of such property during the second preceding tax year, the tax commissioner shall exclude from the taxable value for both years the tax value loss, as defined in section 5727.84 of the Revised Code.

(C) Upon receipt of such certification, the department of education shall reduce or increase by the respective amounts certified, the taxable value and the taxes charged and payable that were used in the district's state aid computation under section 3317.022 of the Revised Code for the fiscal year that ends in the current calendar year and shall recompute the state aid for such fiscal year. During the last six months of the fiscal year, the department shall pay the district a sum equal to one-half of the recomputed payments in lieu of the payments otherwise required under such sections.

(D) If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the basis of the same circumstances for which a recomputation is made under this section, the amount of the recomputation shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. 3317.0210. (A) As used in this section:

(1) "Bankruptcy Reform Act" means the "Bankruptcy Reform Act of 1978," 92 Stat. 2558, 11 U.S.C. 301, as amended.

(2) "Chapter 11 corporation" means a corporation, company, or other business organization that has filed a petition for reorganization under Chapter 11 of the "Bankruptcy Reform Act," 92 Stat. 2626, 11 U.S.C. 1101, as amended.

~~(3) "Real property" includes public utility real property and "personal property" includes public utility personal property.~~

~~(4) "Uncollectable taxes" means property taxes owed payable in a calendar year by a Chapter 11 corporation on its property for a tax year that a school district is precluded from collecting by virtue of proceedings under the Bankruptcy Reform Act.~~

~~(5)~~(4) "Basic state aid" means the state aid calculated for a school district under section 3317.022 of the Revised Code.

~~(6) "Effective value" means the sum of the residential/agricultural real property value, the effective nonresidential/agricultural real property value, and the effective personal value.~~

~~(7) "Effective nonresidential/agricultural real property value" means, for a tax year, the amount obtained by multiplying the value for that year of~~

~~nonresidential/agricultural real property subject to taxation in the district by a fraction, the numerator of which is the total taxes charged and payable for that year against the nonresidential/agricultural real property subject to taxation in the district, exclusive of the uncollectable taxes for that year on all real property subject to taxation in the district, and the denominator of which is the total taxes charged and payable for that year against the nonresidential/agricultural real property subject to taxation in the district.~~

~~(8)(5) "Effective personal value" means, for a tax year, the amount obtained by multiplying the total taxable value for that year certified in a calendar year under ~~division (A)(2) of~~ section 3317.021 of the Revised Code by a fraction, the numerator of which is the total taxes charged and payable ~~for in~~ that calendar year ~~against personal property subject to taxation in the district,~~ exclusive of the uncollectable taxes ~~for payable in~~ that year ~~on that property,~~ and the denominator of which is the total taxes charged and payable ~~for in~~ that year ~~against personal property subject to taxation in the district.~~~~

~~(9) "Nonresidential/agricultural real property value" means, for a tax year, the sum of the values certified for a school district for that year under division (B)(2)(a) of this section, and "residential/agricultural real property value" means, for a tax year, the sum of the values certified for a school district under division (B)(2)(b) of this section.~~

~~(10) "Taxes charged and payable against real property" means the taxes charged and payable against that property after making the reduction required by section 319.301 of the Revised Code.~~

~~(H)(6) "Total taxes charged and payable" has the same meaning given "taxes charged and payable" in section 3317.02 of the Revised Code.~~

~~(B)(1) Between the first day of January and the first day of February of any year, a school district shall notify the department of education if it has uncollectable taxes payable in the preceding calendar year from one Chapter 11 corporation ~~for the preceding tax year whose total taxes charged and payable represent at least one-half of one per cent of the district's total taxes charged and payable for that tax year.~~~~

~~(2) The department shall verify whether the district has such uncollectable taxes from such a corporation, and if the district does, shall immediately request the tax commissioner to certify the ~~following information concerning the district's property values and taxes for the preceding tax year~~ district's total taxes charged and payable in the preceding calendar year, and the tax commissioner shall certify that information to the department within thirty days after receiving the request:~~

~~(a) The value of the property subject to taxation in the district that was~~

~~classified as nonresidential/agricultural real property pursuant to section 5713.041 of the Revised Code, and the taxes charged and payable on that property; and~~

~~(b) The value of the property subject to taxation in the district that was classified as residential/agricultural real property under section 5713.041 of the Revised Code. For the purposes of this section, taxes are payable in the calendar year that includes the day prescribed by law for their payment, including any lawful extension thereof.~~

~~(C) Upon receiving the certification from the tax commissioner, the department shall determine whether the amount of uncollectable taxes from the corporation equals at least one per cent of the total taxes charged and payable as certified by the tax commissioner. If it does, the department shall compute the district's effective nonresidential/agricultural real property value, residential/agricultural real property value, effective personal value, and effective value; and shall determine whether the school district's effective value for the preceding tax year is at least one per cent less than its total taxable value for the second preceding tax year as certified under divisions (A)(1) and (2) of section 3317.021 of the Revised Code. If it is, the department shall recompute the basic state aid payable to the district for the current fiscal year using the effective value in lieu of the total taxable value used to compute the basic state aid for the current fiscal year. The difference between the basic state aid amount originally computed for the district for the current fiscal year and the recomputed amount shall be paid to the district from the lottery profits education fund before the end of the current fiscal year.~~

~~(D) Not later than August 1, 2001, a school district shall notify the department of education if it has uncollectable taxes from one Chapter 11 corporation for tax year 1999 or, separately, tax year 2000, whose total taxes charged and payable for the tax year represent at least one-half of one per cent of the district's total taxes charged and payable for that tax year. The department shall verify whether the district has such uncollectable taxes from such a corporation and, if it does, shall immediately request the tax commissioner to certify the information enumerated in divisions (B)(2)(a) and (b) of this section for the tax year. The tax commissioner shall certify that information to the department within thirty days after receiving the request.~~

~~Upon receiving the certification from the tax commissioner, the department shall compute the district's effective value for the tax year for which the certification was made and shall determine whether the effective value for the tax year is at least one per cent less than its total taxable value~~

~~for that tax year. If it is, the department shall recompute the basic state aid payable to the district as follows:~~

~~(1) For such uncollectable taxes for tax year 1999, recompute the basic state aid for fiscal year 2001 using the effective value for tax year 1999 in lieu of the total taxable value for that tax year as certified under divisions (A)(1) and (2) of section 3317.021 of the Revised Code;~~

~~(2) For such uncollectable taxes for tax year 2000, recompute the basic state aid for fiscal year 2002 using the effective value for tax year 2000 in lieu of the total taxable value for that tax year certified under those divisions.~~

~~The difference between the basic state aid amount originally computed for the district for fiscal year 2001 or fiscal year 2002 and the amount recomputed for that year under division (C)(1) or (2) of this section shall be paid to the district from the lottery profits education fund before the end of fiscal year 2002.~~

~~(E) Amounts~~ Except as provided in division (E) of this section, amounts received by a school district under division (C) and (D) of this section shall be repaid to the department of education in any future year to the extent the district receives payments of uncollectable taxes in such future year. The department district shall notify a district the department of any amount owed under this division.

(E) If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the basis of the same circumstances for which a recomputation is made under this section, the amount of the recomputation shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. 3317.0211. (A) As used in this section:

(1) "Port authority" means any port authority as defined in section 4582.01 or 4582.21 of the Revised Code.

(2) "Real property" includes public utility real property and "personal property" includes public utility personal property.

(3) "Uncollected taxes" means property taxes charged and payable against the property of a port authority for a tax year that a school district has not collected.

(4) "Basic state aid" means the state aid calculated for a school district under section 3317.022 of the Revised Code.

(5) "Effective value" means the sum of the effective residential/agricultural real property value, the effective nonresidential/agricultural real property value, and the effective personal

value.

(6) "Effective residential/agricultural real property value" means, for a tax year, the amount obtained by multiplying the value for that year of residential/agricultural real property subject to taxation in the district by a fraction, the numerator of which is the total taxes charged and payable for that year against the residential/agricultural real property subject to taxation in the district, exclusive of the uncollected taxes for that year on all real property subject to taxation in the district, and the denominator of which is the total taxes charged and payable for that year against the residential/agricultural real property subject to taxation in the district.

(7) "Effective nonresidential/agricultural real property value" means, for a tax year, the amount obtained by multiplying the value for that year of nonresidential/agricultural real property subject to taxation in the district by a fraction, the numerator of which is the total taxes charged and payable for that year against the nonresidential/agricultural real property subject to taxation in the district, exclusive of the uncollected taxes for that year on all real property subject to taxation in the district, and the denominator of which is the total taxes charged and payable for that year against the nonresidential/agricultural real property subject to taxation in the district.

(8) "Effective personal value" means, for a tax year, the amount obtained by multiplying the value for that year certified under division (A)(2) of section 3317.021 of the Revised Code by a fraction, the numerator of which is the total taxes charged and payable for that year against personal property subject to taxation in the district, exclusive of the uncollected taxes for that year on that property, and the denominator of which is the total taxes charged and payable for that year against personal property subject to taxation in the district.

(9) "Nonresidential/agricultural real property value" means, for a tax year, the sum of the values certified for a school district for that year under division (B)(2)(a) of this section, and "residential/agricultural real property value" means, for a tax year, the sum of the values certified for a school district under division (B)(2)(b) of this section.

(10) "Taxes charged and payable against real property" means the taxes charged and payable against that property after making the reduction required by section 319.301 of the Revised Code.

(11) "Total taxes charged and payable" has the same meaning given "taxes charged and payable" in section 3317.02 of the Revised Code.

(B)(1) By the first day of August of any calendar year, a school district shall notify the department of education if it has any uncollected taxes from one port authority for the second preceding tax year whose taxes charged

and payable represent at least one-half of one per cent of the district's total taxes charged and payable for that tax year.

(2) The department shall verify whether the district has such uncollected taxes by the first day of September, and if the district does, shall immediately request the county auditor of each county in which the school district has territory to certify the following information concerning the district's property values and taxes for the second preceding tax year, and each such auditor shall certify that information to the department within thirty days of receiving the request:

(a) The value of the property subject to taxation in the district that was classified as nonresidential/agricultural real property pursuant to section 5713.041 of the Revised Code, and the taxes charged and payable on that property; and

(b) The value of the property subject to taxation in the district that was classified as residential/agricultural real property under section 5713.041 of the Revised Code.

(C) By the fifteenth day of November, the department shall compute the district's effective nonresidential/agricultural real property value, effective residential/agricultural real property value, effective personal value, and effective value, and shall determine whether the school district's effective value for the second preceding tax year is at least one per cent less than its total value for that year certified under divisions (A)(1) and (2) of section 3317.021 of the Revised Code. If it is, the department shall recompute the basic state aid payable to the district for the immediately preceding fiscal year using the effective value in lieu of the amounts previously certified under section 3317.021 of the Revised Code. The difference between the original basic state aid amount computed for the district for the preceding fiscal year and the recomputed amount shall be paid to the district from the lottery profits education fund before the end of the current fiscal year.

(D) ~~Amounts~~ Except as provided in division (E) of this section, amounts received by a school district under division (C) of this section shall be repaid to the department of education in any future year to the extent the district receives payments of uncollectable taxes in such future year. The department shall notify a district of any amount owed under this division.

(E) If a school district received a grant from the catastrophic expenditures account pursuant to division (C) of section 3316.20 of the Revised Code on the basis of the same circumstances for which a recomputation is made under this section, the amount of the recomputation shall be reduced and transferred in accordance with division (C) of section 3316.20 of the Revised Code.

Sec. 3318.07. The board of elections shall certify the result of the election to the tax commissioner, to the auditor of the county or counties in which the school district is located, to the treasurer of the school district board, and to the Ohio school facilities commission. The necessary tax levy for debt service on the bonds shall be included in the annual tax budget that is certified to the county budget commission or, if adoption of the tax budget is waived under section 5705.281 of the Revised Code, included among the tax rates required to be provided to the budget commission under that section.

~~Sec. 5705.281. If Notwithstanding section 5705.28 of the Revised Code, the county budget commission has provided for the apportionment of the county undivided local government fund and the county undivided local government revenue assistance fund under an alternative method or formula basis pursuant to sections 5747.53 and 5747.63 of the Revised Code for any fiscal year, the commission, by an affirmative vote of a majority of the commission, including an affirmative vote by the county auditor, may waive the requirement that the taxing authority of a subdivision or other taxing unit entitled to a share of such fund adopt a tax budget as provided under section 5709.28 5705.28 of the Revised Code, or may permit but shall require such a taxing authority to adopt a tax budget containing only provide such information as may be required by the commission to apportion those funds under the alternative method or formula, notwithstanding any provision for a tax budget in the resolution approving the alternative method or formula perform its duties under this chapter, including dividing the rates of each of the subdivision's or taxing unit's tax levies as provided under section 5705.04 of the Revised Code.~~

~~Sec. 5705.29. This section does not apply to a subdivision or taxing unit for which the county budget commission has waived the requirement to adopt a tax budget pursuant to section 5705.281 of the Revised Code. The tax budget shall present the following information in such detail as is prescribed by the auditor of state, unless an alternative form of the budget is permitted under section 5705.281 of the Revised Code:~~

~~(A)(1) A statement of the necessary current operating expenses for the ensuing fiscal year for each department and division of the subdivision, classified as to personal services and other expenses, and the fund from which such expenditures are to be made. Except in the case of a school district, this estimate may include a contingent expense not designated for any particular purpose, and not to exceed three per cent of the total amount of appropriations for current expenses. In the case of a school district, this estimate may include a contingent expense not designated for any particular~~

purpose and not to exceed thirteen per cent of the total amount of appropriations for current expenses.

(2) A statement of the expenditures for the ensuing fiscal year necessary for permanent improvements, exclusive of any expense to be paid from bond issues, classified as to the improvements contemplated by the subdivision and the fund from which such expenditures are to be made;

(3) The amounts required for the payment of final judgments;

(4) A statement of expenditures for the ensuing fiscal year necessary for any purpose for which a special levy is authorized, and the fund from which such expenditures are to be made;

(5) Comparative statements, so far as possible, in parallel columns of corresponding items of expenditures for the current fiscal year and the two preceding fiscal years.

(B)(1) An estimate of receipts from other sources than the general property tax during the ensuing fiscal year, which shall include an estimate of unencumbered balances at the end of the current fiscal year, and the funds to which such estimated receipts are credited;

(2) The amount each fund requires from the general property tax, which shall be the difference between the contemplated expenditure from the fund and the estimated receipts, as provided in this section. The section of the Revised Code under which the tax is authorized shall be set forth.

(3) Comparative statements, so far as possible, in parallel columns of taxes and other revenues for the current fiscal year and the two preceding fiscal years.

(C)(1) The amount required for debt charges;

(2) The estimated receipts from sources other than the tax levy for payment of such debt charges, including the proceeds of refunding bonds to be issued to refund bonds maturing in the next succeeding fiscal year;

(3) The net amount for which a tax levy shall be made, classified as to bonds authorized and issued prior to January 1, 1922, and those authorized and issued subsequent to such date, and as to what portion of the levy will be within and what in excess of the ten-mill limitation.

(D) An estimate of amounts from taxes authorized to be levied in excess of the ten-mill limitation on the tax rate, and the fund to which such amounts will be credited, together with the sections of the Revised Code under which each such tax is exempted from all limitations on the tax rate.

(E)(1) A board of education may include in its budget for the fiscal year in which a levy proposed under section 5705.194, 5705.21, or 5705.213, or the original levy under section 5705.212 of the Revised Code is first extended on the tax list and duplicate an estimate of expenditures to be

own as a voluntary contingency reserve balance, which shall not be greater than twenty-five per cent of the total amount of the levy estimated to be available for appropriation in such year.

(2) A board of education may include in its budget for the fiscal year following the year in which a levy proposed under section 5705.194, 5705.21, or 5705.213, or the original levy under section 5705.212 of the Revised Code is first extended on the tax list and duplicate an estimate of expenditures to be known as a voluntary contingency reserve balance, which shall not be greater than twenty per cent of the amount of the levy estimated to be available for appropriation in such year.

(3) Except as provided in division (E)(4) of this section, the full amount of any reserve balance the board includes in its budget shall be retained by the county auditor and county treasurer out of the first semiannual settlement of taxes until the beginning of the next succeeding fiscal year, and thereupon, with the depository interest apportioned thereto, it shall be turned over to the board of education, to be used for the purposes of such fiscal year.

(4) A board of education, by a two-thirds vote of all members of the board, may appropriate any amount withheld as a voluntary contingency reserve balance during the fiscal year for any lawful purpose, provided that prior to such appropriation the board of education has authorized the expenditure of all amounts appropriated for contingencies under section 5705.40 of the Revised Code. Upon request by the board of education, the county auditor shall draw a warrant on the district's account in the county treasury payable to the district in the amount requested.

(F)(1) A board of education may include a spending reserve in its budget for fiscal years ending on or before June 30, 2002. The spending reserve shall consist of an estimate of expenditures not to exceed the district's spending reserve balance. A district's spending reserve balance is the amount by which the designated percentage of the district's estimated personal property taxes to be settled during the calendar year in which the fiscal year ends exceeds the estimated amount of personal property taxes to be so settled and received by the district during that fiscal year. Moneys from a spending reserve shall be appropriated in accordance with section 133.301 of the Revised Code.

(2) For the purposes of computing a school district's spending reserve balance for a fiscal year, the designated percentage shall be as follows:

Fiscal year ending in:	Designated percentage
1998	50%
1999	40%

2000	30%
2001	20%
2002	10%

(G) Except as otherwise provided in this division, the county budget commission shall not reduce the taxing authority of a subdivision as a result of the creation of a reserve balance account. Except as otherwise provided in this division, the county budget commission shall not consider the amount in a reserve balance account of a township, county, or municipal corporation as an unencumbered balance or as revenue for the purposes of division (E)(3) or (4) of section 5747.51 or division (E)(3) or (4) of section 5747.62 of the Revised Code. The county budget commission may require documentation of the reasonableness of the reserve balance held in any reserve balance account. The commission shall consider any amount in a reserve balance account that it determines to be unreasonable as unencumbered and as revenue for the purposes of sections 5747.51 and 5747.62 of the Revised Code and may take such amounts into consideration when determining whether to reduce the taxing authority of a subdivision.

Sec. 5705.30. This section does not apply to a subdivision for which the county budget commission has waived the requirement to adopt a tax budget under section 5705.281 of the Revised Code.

In addition to the information required by section 5705.29 of the Revised Code, the budget of each subdivision and school library district shall include such other information as is prescribed by the auditor of state ~~unless an alternative form of the budget is permitted under section 5705.281 of the Revised Code~~. At least two copies of the budget shall be filed in the office of the fiscal officer of the subdivision for public inspection not less than ten days before its adoption by the taxing authority, and such taxing authority shall hold at least one public hearing thereon, of which public notice shall be given by at least one publication not less than ten days prior to the date of hearing in the official publication of such subdivision, or in a newspaper having general circulation in the subdivision. The budget, after adoption, shall be submitted to the county auditor on or before the twentieth day of July, or in the case of a school district, by the twentieth day of January. The tax commissioner may prescribe a later date for the submission of a subdivision's tax budget. Any subdivision that fails to submit its budget to the county auditor on or before the twentieth day of July, unless the commissioner on or before the twentieth day of July prescribes a later date for submission of the budget by that subdivision, shall not receive an apportionment from the undivided local government fund distribution for the ensuing calendar year, unless upon review of the matter the

commissioner determines that the budget was adopted by the subdivision on or before the fifteenth day of July, but was not submitted to the county auditor by the twentieth day of July or the later time prescribed by the commissioner because of ministerial error by the subdivision or its officers, employees, or other representatives.

Sec. 5705.31. The county auditor shall present to the county budget commission the annual tax budgets submitted ~~to him~~ under sections 5705.01 to 5705.47 of the Revised Code, together with an estimate prepared by such auditor of the amount of any state levy, the rate of any school tax levy as previously determined, the tax commissioner's estimate of the amount to be received in the county library and local government support fund, the tax rates provided under section 5705.281 of the Revised Code if adoption of the tax budget was waived under that section, and such other information as the commission requests or the tax commissioner prescribes. The budget commission shall examine such budget and ascertain the total amount proposed to be raised in the county for the purposes of each subdivision and other taxing units therein.

The commission shall ascertain that the following levies have been properly authorized and, if so authorized, shall approve them without modification:

- (A) All levies in excess of the ten-mill limitation;
- (B) All levies for debt charges not provided for by levies in excess of the ten-mill limitation, including levies necessary to pay notes issued for emergency purposes;
- (C) The levies prescribed by division (B) of sections 742.33 and 742.34 of the Revised Code;
- (D) A minimum levy within the ten-mill limitation for the current expense and debt service of each subdivision or taxing unit, which shall equal two-thirds of the average levy for current expenses and debt service allotted within the fifteen-mill limitation to such subdivision or taxing unit during the last five years the fifteen-mill limitation was in effect unless such subdivision or taxing unit requests an amount requiring a lower rate. Except as provided in section 5705.312 of the Revised Code, if the levies required in divisions (B) and (C) of this section for the subdivision or taxing unit equal or exceed the entire minimum levy of the subdivision as fixed, the minimum levies of the other subdivisions or taxing units shall be reduced by the commission to provide for the levies and an operating levy for the subdivision. Such additional levy shall be deducted from the minimum levies of each of the other subdivisions or taxing units, but the operating levy for a school district shall not be reduced below a figure equivalent to

forty-five per cent of the millage available within the ten-mill limitation after all the levies in divisions (B) and (C) of this section have been provided for.

(E) The levies prescribed by section 3709.29 of the Revised Code.

Divisions (A) to (E) of this section are mandatory, and commissions shall be without discretion to reduce such minimum levies except as provided in such divisions.

If any debt charge is omitted from the budget, the commission shall include it therein.

Sec. 5705.32. (A) The county budget commission shall adjust the estimated amounts required from the general property tax for each fund, as shown by ~~such the tax~~ budgets or other information required to be provided under section 5705.281 of the Revised Code, so as to bring the tax levies required therefor within the limitations specified in sections 5705.01 to 5705.47 of the Revised Code, for such levies, but no levy shall be reduced below a minimum fixed by law. The commission may revise and adjust the estimate of balances and receipts from all sources for each fund and shall determine the total appropriations that may be made therefrom.

(B) The commission shall fix the amount of the county library and local government support fund to be distributed to each board of public library trustees that has qualified under section 5705.28 of the Revised Code for participation in the proceeds of such fund. The amount paid to all libraries in the county from such fund shall never be a smaller per cent of the fund than the average of the percentages of the county's classified taxes that were distributed to libraries in 1982, 1983, and 1984, as determined by the county auditor. The commission shall base the amount for distribution on the needs of such library for the construction of new library buildings, parts of buildings, improvements, operation, maintenance, or other expenses. In determining the needs of each library board of trustees, and in calculating the amount to be distributed to any library board of trustees on the basis of its needs, the commission shall make no reduction in its allocation from the fund on account of additional revenues realized by a library from increased taxes or service charges voted by its electorate, from revenues received through federal or state grants, projects, or programs, or from grants from private sources.

(C) Notwithstanding the fact that alternative methods of financing such needs are available, after fixing the amount to be distributed to libraries, the commission shall fix the amount, if any, of the county library and local government support fund to be distributed to each board of township park commissioners, the county, and each municipal corporation in accordance

with the following:

(1) Each municipal corporation in the county shall receive a per cent of the remainder that equals the per cent that the county auditor determines the classified property taxes originating in such municipal corporation in 1984 were of the total of all of the county's classified property taxes in 1984. The commission may deduct from this amount any amount that the budget commission allows to the board of township park commissioners of a township park district, the boundaries of which are coextensive with or contained within the boundaries of the municipal corporation.

(2) The county shall receive a per cent of the remainder that equals the per cent that the county auditor determines the classified property taxes originating outside of the boundaries of municipal corporations in the county in 1984 were of the total of all of the county's classified property taxes in 1984. The commission may deduct from this amount any amount that the budget commission allows to the board of township park commissioners of a township park district, the boundaries of which are not coextensive with or contained within those of any municipal corporation in the county.

(D) The commission shall separately set forth the amounts fixed and determined under divisions (B) and (C) of this section in the "official certificate of estimated resources," as provided in section 5705.35 of the Revised Code, and separately certify such amount to the county auditor who shall be guided thereby in the distribution of the county library and local government support fund for and during the fiscal year. In determining such amounts, the commission shall be guided by the estimate certified by the tax commissioner and presented by the auditor under section 5705.31 of the Revised Code, as to the total amount of revenue to be received in the county library and local government support fund during such fiscal year.

(E)(1) At least five days before the date of any meeting at which the budget commission plans to discuss the distribution of the county library and local government support fund, it shall notify each legislative authority and board of public library trustees, county commissioners, and township park commissioners eligible to participate in the distribution of the fund of the date, time, place, and agenda for the meeting. Any legislative authority or board entitled to notice under this division may designate an officer or employee of such legislative authority or board to whom the commission shall deliver the notice.

(2) Before the final determination of the amount to be allotted to each subdivision from any source, the commission shall permit representatives of each subdivision and of each board of public library trustees to appear

before it to explain its financial needs.

(F) If any public library receives and expends any funds allocated to it under this section for the construction of new library buildings or parts of buildings, such library shall be free and open to the inhabitants of the county in which it is located. Any board of library trustees that receives funds under this section and section 5747.48 of the Revised Code shall have its financial records open for public inspection at all reasonable times.

Sec. 5705.34. When the budget commission has completed its work with respect to a tax budget or other information required to be provided under section 5705.281 of the Revised Code, it shall certify its action to the taxing authority, together with an estimate by the county auditor of the rate of each tax necessary to be levied by the taxing authority within its subdivision or taxing unit, and what part thereof is in excess of, and what part within, the ten-mill tax limitation. The certification shall also indicate the date on which each tax levied by the taxing authority will expire.

If a taxing authority levies a tax for a fixed sum of money or to pay debt charges for the tax year for which the tax budget is prepared, and a payment on account of that tax is payable to the taxing authority for the tax year under section 5727.85 or 5727.86 of the Revised Code, the county auditor, when estimating the rate at which the tax shall be levied in the current year, shall estimate the rate necessary to raise the required sum less the estimated amount of any payments made for the tax year to a taxing unit for fixed-sum levies under sections 5727.85 and 5727.86 of the Revised Code. The estimated rate shall be the rate of the levy that the budget commission certifies with its action under this section.

Each taxing authority, by ordinance or resolution, shall authorize the necessary tax levies and certify them to the county auditor before the first day of October in each year, or at such later date as is approved by the tax commissioner, except that the certification by a board of education shall be made by the first day of April or at such later date as is approved by the commissioner, and except that a township board of park commissioners that is appointed by the board of township trustees and oversees a township park district that contains only unincorporated territory shall authorize only those taxes approved by, and only at the rate approved by, the board of township trustees as required by division (C) of section 511.27 of the Revised Code. If the levying of a tax to be placed on the duplicate of the current year is approved by the electors of the subdivision under sections 5705.01 to 5705.47 of the Revised Code; if the rate of a school district tax is increased due to the repeal of a school district income tax and property tax rate reduction at an election held pursuant to section 5748.04 of the Revised

Code; or if refunding bonds to refund all or a part of the principal of bonds payable from a tax levy for the ensuing fiscal year are issued or sold and in the process of delivery, the budget commission shall reconsider and revise its action on the budget of the subdivision or school library district for whose benefit the tax is to be levied after the returns of such election are fully canvassed, or after the issuance or sale of such refunding bonds is certified to it.

Sec. 5705.341. Any person required to pay taxes on real, public utility, or tangible personal property in any taxing district or other political subdivision of this state may appeal to the board of tax appeals from the action of the county budget commission of any county which relates to the fixing of uniform rates of taxation and the rate necessary to be levied by each taxing authority within its subdivision or taxing unit and which action has been certified by the county budget commission to the taxing authority of any political subdivision or other taxing district within the county.

Such appeal shall be in writing and shall ~~specify, in detail,~~ set forth the tax rate complained of and the reason that such a tax rate is not necessary to produce the revenue needed by the taxing district or political subdivision for the ensuing fiscal year as those needs are set out in the tax budget of said taxing unit or, if adoption of a tax budget was waived under section 5705.281 of the Revised Code, as set out in such other information the district or subdivision was required to provide under that section, or that the action of the budget commission appealed from does not otherwise comply with sections 5705.01 to 5705.47 of the Revised Code. The notice of appeal shall be filed with the board of tax appeals, and a true copy thereof shall be filed with the tax commissioner, the county auditor, and with the fiscal officer of each taxing district or political subdivision authorized to levy the tax complained of, and such notice of appeal and copies thereof must be filed within thirty days after the budget commission has certified its action as provided by section 5705.34 of the Revised Code. Such notice of appeal and the copies thereof may be filed either in person or by certified mail. If filed by certified mail, the date of the United States postmark placed on the sender's receipt by the postal employee to whom the notice of appeal is presented shall be treated as the date of filing.

Prior to filing the appeal provided by this section, the appellant shall deposit with the county auditor of the county or, in the event the appeal concerns joint taxing districts in two or more counties, with the county auditor of the county with the greatest valuation of taxable property the sum of five hundred dollars to cover the costs of the proceeding. The county auditor shall forthwith issue ~~his~~ a pay-in order and pay such money into the

county treasury to the credit of the general fund. The appellant shall produce the receipt of the county treasurer for such deposit and shall file such receipt with the notice of appeal.

The board of tax appeals shall forthwith consider the matter presented on appeal from the action of the county budget commission and may modify any action of the commission with reference to the fixing of tax rates, to the end that no tax rate shall be levied above that necessary to produce the revenue ~~set out in the budget of~~ needed by the taxing district or political subdivision ~~as necessary~~ for the ensuing fiscal year and to the end that the action of the budget commission appealed from shall otherwise be in conformity with sections 5705.01 to 5705.47 of the Revised Code. The findings of the board of tax appeals shall be substituted for the findings of the budget commission and shall be certified to the county auditor and the taxing authority of the taxing district or political subdivision affected as the action of such budget commission under sections 5705.01 to 5705.47 of the Revised Code and to the tax commissioner.

The board of tax appeals shall promptly prepare a cost bill listing the expenses incurred by the board in conducting any hearing on the appeal and certify the cost bill to the county auditor of the county receiving the deposit for costs, who shall forthwith draw ~~his~~ a warrant on the general fund of the county in favor of the person or persons named in the bill of costs certified by the board of tax appeals.

In the event the appellant prevails, the board of tax appeals promptly shall direct the county auditor to refund the deposit to the appellant and the costs shall be taxed to the taxing district or political subdivision involved in the appeal. The county auditor shall withhold from any funds then or thereafter in ~~his~~ the auditor's possession belonging to the taxing district or political subdivision named in the order of the board of tax appeals and shall reimburse the general fund of the county.

If the appellant fails, the costs shall be deducted from the deposit provided for in this section and any balance which remains shall be refunded promptly to the appellant by warrant of the county auditor drawn on the general fund of the county.

Nothing in this section or any section of the Revised Code shall permit or require the levying of any rate of taxation, whether within the ten-mill limitation or whether the levy has been approved by the electors of the taxing district, the political subdivision, or the charter of a municipal corporation in excess of such ten-mill limitation, unless such rate of taxation for the ensuing fiscal year is clearly required by a budget of the taxing district or political subdivision properly and lawfully ~~advertised,~~ adopted;

~~and filed pursuant to the provisions of sections 5705.01 to 5705.47 of the Revised Code under this chapter, or by other information that must be provided under section 5705.281 of the Revised Code if a tax budget was waived.~~

In the event more than one appeal is filed involving the same taxing district or political subdivision, all such appeals may be consolidated by the board of tax appeals and heard at the same time.

Nothing herein contained shall be construed to bar or prohibit the tax commissioner from initiating an investigation or hearing on ~~its~~ the commissioner's own motion.

The tax commissioner shall adopt and issue such orders, rules, and instructions, not inconsistent with law, as ~~he~~ the commissioner deems necessary, as to the exercise of the powers and the discharge of the duties of any particular county budget commission, county auditor, or other officer which relate to the budget, the assessment of property, or the levy and collection of taxes. The commissioner shall cause the orders and instructions issued by ~~him~~ the commissioner to be obeyed.

Sec. 5705.35. (A) The certification of the budget commission to the taxing authority of each subdivision or taxing unit, as set forth in section 5705.34 of the Revised Code, shall show the various funds of such subdivisions other than funds to be created by transfer and shall be filed by the county budget commission with such taxing authority on or before the first day of March in the case of school districts and on or before the first day of September in each year in the case of all other taxing authorities. There shall be set forth on the credit side of each fund the estimated unencumbered balances and receipts, and if a tax is to be levied for such fund, the estimated revenue to be derived therefrom, the rate of the levy, and what portion thereof is within, and what in excess of, the ten-mill tax limitation, and on the debit side, the total appropriations that may be made therefrom. Subject to division (G) of section 5705.29 of the Revised Code, any reserve balance in an account established under section 5705.13 of the Revised Code for the purpose described in division (A)(1) of that section, and the principal of a nonexpendable trust fund established under section 5705.131 of the Revised Code and any additions to principal arising from sources other than the reinvestment of investment earnings arising from that fund, are not unencumbered balances for the purposes of this section. There shall be attached to the certification a summary, which shall be known as the "official certificate of estimated resources," that shall state the total estimated resources of each fund of the subdivision that are available for appropriation in the fiscal year, other than funds to be created by transfer,

and a statement of the amount of the total tax duplicate of the school district to be used in the collection of taxes for the following calendar year. Before the end of the fiscal year, the taxing authority of each subdivision and other taxing unit shall revise its tax budget, if one was adopted, so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the total appropriations that may be made from such fund, as determined by the budget commission in its certification; and such revised budget shall be the basis of the annual appropriation measure.

(B)(1) Except as otherwise provided in division (B)(2) of this section, revenues from real property taxes scheduled to be settled on or before the tenth day of August and the fifteenth day of February of a fiscal year under divisions (A) and (C) of section 321.24 of the Revised Code, and revenue from taxes levied on personal property used in business scheduled to be settled on or before the thirty-first day of October and the thirtieth day of June of a fiscal year under divisions (B) and (D) of section 321.24 of the Revised Code shall not be available for appropriation by a board of education prior to the fiscal year in which such latest scheduled settlement date occurs, except that moneys advanced to the treasurer of a board of education under division (A)(2)(b) of section 321.34 of the Revised Code shall be available for appropriation in the fiscal year in which they are paid to the treasurer under such section. If the date for any settlement of taxes is extended under division (E) of section 321.24 of the Revised Code, the latest date set forth in divisions (A) to (D) of that section shall be used to determine in which fiscal year the revenues are first available for appropriation.

(2) Revenues available for appropriation by a school district during a fiscal year may include amounts borrowed in that fiscal year under section 133.301 of the Revised Code in anticipation of the collection of taxes that are to be included in the settlements made under divisions (C) and (D) of section 321.24 of the Revised Code in the ensuing fiscal year.

Sec. 5705.38. (A) This division does not apply to school district appropriation measures. On or about the first day of each year, the taxing authority of each subdivision or other taxing unit shall pass an appropriation measure, and thereafter during the year it may pass any supplemental appropriation measures as it finds necessary, based on the revised tax budget ~~and~~ or the official certificate of estimated resources or amendments of the certificate. ~~If adoption of a tax budget was waived under section 5705.281 of the Revised Code, appropriation measures shall be based on the official certificate of estimated resources.~~ If it desires to postpone the passage of the annual appropriation measure until an amended certificate is received based

on the actual balances, it may pass a temporary appropriation measure for meeting the ordinary expenses of the taxing unit until no later than the first day of April of the current year, and the appropriations made in the temporary measure shall be chargeable to the appropriations in the annual appropriation measure for that fiscal year when passed.

(B) A board of education shall pass its annual appropriation measure by the first day of October. If, by the first day of October, a board has not received either the amended certificates of estimated resources required by division (B) of section 5705.36 of the Revised Code or certifications that no amended certificates need be issued, the adoption of the annual appropriation measure shall be delayed until the amended certificates or certifications are received. Prior to the passage of the annual appropriation measure, the board may pass a temporary appropriation measure for meeting the ordinary expenses of the district until it passes an annual appropriation measure, and appropriations made in the temporary measure shall be chargeable to the appropriations in the annual appropriation measure for that fiscal year when passed. During the fiscal year and after the passage of the annual appropriation measure, a district may pass any supplemental appropriation measures as it finds necessary, based on the revised tax budget ~~and~~ or the official certificate of estimated resources or amendments of the certificate. School district appropriation measures shall be in the form as the auditor of state, after consultation with the tax commissioner, prescribes.

(C) Appropriation measures shall be classified so as to set forth separately the amounts appropriated for each office, department, and division, and, within each, the amount appropriated for personal services. In the case of a municipal university, the board of directors of which have assumed, in the manner provided by law, custody and control of the funds of the university, funds shall be appropriated as a lump sum for the use of the university.

Sec. 5705.391. (A) A board of education shall adopt as part of its annual appropriation measure a spending plan or in the case of an amendment or supplement to an appropriation measure, an amended spending plan, setting forth a schedule of expenses and expenditures of all appropriated funds by the school district for the fiscal year. A copy of the annual appropriation measure and any amendment or supplement to it and the spending plan or amended plan shall be submitted to the superintendent of public instruction and shall set forth all revenues available for appropriation by the district during the fiscal year and their sources; the nature and amount of expenses to be incurred by the district during such year, the outstanding and unpaid expenses on the date the appropriation measure, amendment, or supplement

is adopted; the date or dates by which such expenses must be paid; and such other information as the superintendent requires to enable the superintendent to determine whether during such year the district will incur any expenses that will impair its ability to operate its schools with the revenue available to it from existing revenue sources. The plan or amended plan shall be presented in such detail and form as the superintendent prescribes.

(B) No later than July 1, 1998, the department of education and the auditor of state shall jointly adopt rules requiring school districts to include five-year projections of revenues and expenditures in the spending plan required by this section. The rules shall provide for the auditor of state or the department to examine the five-year projections and to determine whether any further fiscal analysis is needed to ascertain whether a district has the potential to incur a deficit during the first three years of the five-year period.

The auditor ~~and~~ of state or the department may conduct any further audits or analyses necessary to assess any district's fiscal condition ~~and~~. If further audits or analyses are conducted by the auditor of state, the auditor of state shall notify the department of the district's fiscal condition, and the department shall immediately notify any the district of any potential to incur a deficit in the current fiscal year or of any strong indications that a deficit will be incurred in either of the ensuing two years. If such audits or analyses are conducted by the department, the department shall immediately notify the district and the auditor of state of such potential deficit or strong indications thereof.

A district notified under this section shall take immediate steps to eliminate any deficit in the current fiscal year and shall begin to plan to avoid the projected future deficits.

(C) The state board of education, in accordance with sections 3319.31 and 3319.311 of the Revised Code, may limit, suspend, or revoke a license as defined under section 3319.31 of the Revised Code that has been issued to any school employee found to have willfully contributed erroneous, inaccurate, or incomplete data required for the submission of the appropriation measure and spending plan required by this section.

Sec. 5705.51. (A) As used in this section:

(1) "Indirect debt limit" means such limitation, in effect at the time of issuance, upon the issuance of unvoted general obligation bonds, notes, or certificates of indebtedness by a subdivision as results from a restriction on the amount of unvoted taxes which may be levied annually upon the general tax lists and duplicates.

(2) "Direct debt limit" means those respective limitations on the principal amount of net indebtedness which may be created or incurred by a

municipal corporation, school district, county, or township, imposed by sections 133.05, 133.06, 133.07, and 133.09 of the Revised Code.

(3) "Ten-mill limit" means unvoted taxes of ten mills annually on each dollar of tax valuation of property on the general tax lists and duplicates.

(4) "One per cent limit" means unvoted taxes at such rates upon the tax value as amounts to one per cent annually of the true value in money of property that is listed on the general tax lists and duplicates.

(5) "Exempt obligations" means unvoted general obligation bonds, notes, and certificates of indebtedness of a municipal corporation, school district, county, or township that are excluded, exempted, or not considered in calculating or ascertaining the direct debt limit of such a subdivision; and also includes unvoted general obligation bonds, notes, and certificates of indebtedness of a municipal corporation if the ordinance authorizing their issuance provides that the debt charges thereon, or, in the case of bond anticipation notes, the debt charges on the bonds in anticipation of which they are issued, shall be paid from lawfully available municipal income taxes to the extent needed to meet such debt charges, and contains a covenant, hereby authorized, to appropriate annually from such municipal income taxes such amount as is necessary to meet such annual debt charges, and further makes provision that any ad valorem property taxes which are provided for pursuant to section 133.22 or 133.23 of the Revised Code shall, in addition to any other reduction permitted by those sections, be reduced by the amount of such municipal income taxes to be applied to such debt charges in compliance with such covenant.

(B) For the purposes of calculating the indirect debt limit, the debt charges on outstanding or proposed exempt obligations required to be taken into consideration in determining the indirect debt limit shall first be allocated to the computed amount of taxes in excess of the ten-mill limit that would result if ad valorem property taxes were levied to the full extent of the one per cent limit, and any balance of such debt charges shall be allocated to the ten-mill limit. This section does not enlarge the direct debt limits.

(C) Upon request of the bond issuing authority or the fiscal officer of a subdivision, the appropriate county auditor or county auditors shall promptly certify all data necessary to make the determinations under division (B) of this section and to ascertain the indirect debt limits, including, for each overlapping subdivision, the tax value and the true value in money of property on the general tax lists and duplicates of the subdivision, stated separately for each classification of property the tax value of which is determined by applying a different percentage to true

value, the applicable debt charges, and such other data as is necessary for the purpose. For such purpose, the aggregate true value in money of each such classification of property may be determined by application of the appropriate mathematical factor to the aggregate tax value of such classification of property on the general tax lists and duplicates. The fiscal officer of each overlapping subdivision and the tax commissioner shall promptly provide to the county auditor such additional information as is needed by the county auditor to make the certification required by this division, including certification to the county auditor by each such fiscal officer as to the then exempt obligations of the subdivision. The certificate of the county auditor shall be conclusive as to the data therein set forth for the purposes of determining the indirect debt limit. The calculations and certifications provided for in this section relating to the one per cent limit need not be made or provided where the annual debt charges required to be taken into consideration in ascertaining the indirect debt limit will not exceed the ten-mill limit.

(D) A municipal corporation which has outstanding exempt obligations supported by municipal income taxes as provided in division (A)(5) of this section shall, to the extent necessary therefor, levy and continue to levy such income tax and apply the proceeds thereof in accordance with its covenants made in the issuance of such obligations, and to such extent such tax shall not be subject to diminution by initiative or referendum, or diminution by statute unless provision is made therein for an adequate substitute therefor, other than unvoted taxes on the general tax lists and duplicates, assigned by law to such purpose.

(E) If the tax budget or the official certificate of estimated resources of a subdivision shows that funds available for the purpose, including municipal income taxes under division (D) of this section, but excluding unvoted taxes within the ten-mill limit, will be insufficient to pay the debt charges on all outstanding obligations of the subdivision that have been shown as exempt obligations on any certificate by the fiscal officer delivered to the county auditor pursuant to division (C) of this section, whether or not qualifying as such in any subsequent certificate, sections 5705.31 and 5705.32 of the Revised Code shall be specially applied as follows with respect to the debt charges on such obligations:

(1) The amount of such debt charges and the debt charges on other unvoted general obligations of the subdivision, not otherwise provided for, shall be charged against the minimum levy of such subdivision provided pursuant to division (D) of section 5705.31 of the Revised Code to the full amount of such minimum levy, if necessary, without preserving to such

subdivision any operating levy within the ten-mill limit;

(2) If the debt charges on such obligations, and on any other outstanding unvoted general obligations of the subdivision not otherwise provided for, exceed the minimum levy of such subdivision, there shall be levied millage upon the tax value of property on the general tax lists and duplicates of the subdivision in excess of the ten-mill limit, but within the one per cent limit as to any property, in such amounts as are necessary to make up such deficiency to the extent that such deficiency does not exceed the debt charges, not otherwise provided for, on the exempt obligations referred to in this division;

(3) Only if the debt charges on such exempt obligations of the subdivision are not fully provided for after application of divisions (E)(1) and (2) of this section, the balance of such debt charges shall be provided by adjustment of other minimum levies pursuant to division (D) of section 5705.31 of the Revised Code.

If the subdivision is a municipal corporation that by charter provides a tax-rate limitation pursuant to section 5705.18 of the Revised Code, divisions (E)(1), (2), and (3) of this section shall be applied only in a manner consistent with the applicable charter provisions. If a levy for current operating expenses, whether or not part of a levy for other purposes, is to be provided under such charter in lieu of a minimum levy provided by division (D) of section 5705.31 of the Revised Code, as a first step, such charter levy shall be reduced by the amount of the levy for debt charges on such exempt obligations only if and to the extent provided by such charter, and if no part of such debt charges is to be paid from a levy within the limitations imposed by the charter, the full amount of such debt charges shall be considered the deficiency under division (E) (2) of this section. The levy for such debt charges under such subdivision shall not exceed any applicable charter limitation. Any references in applicable charter provisions to the limitations provided by the constitution or laws or to a ten-mill limitation of Section 2, Article XII, Ohio Constitution, shall be viewed by the county budget commission as meaning the one per cent limit applicable under this section. Division (E)(3) of this section shall not be applied to reduce any levy within a charter tax-rate limitation.

This section does not alter the right of holders of exempt obligations to share equally in taxes levied within the ten-mill limit nor the general obligation character of such exempt obligations, and the full faith and credit of the subdivision is pledged thereto.

(F) If any levy is made under division (E)(2) of this section, the amount of millage to be applied to tax values on the general tax lists and duplicates

shall be determined for each classification of property the tax value of which is computed by applying a different percentage to true value. The millage rates applied to such classifications of property shall be calculated to produce revenues in the aggregate amount to be provided under division (E)(2) of this section, provided that no such millage shall be added to the taxes on property that is already taxed to the full extent of the one per cent limit, and the millage on each other classification of property shall not result in a tax thereon in excess of the one per cent limit, but the millage amount levied under division (E)(2) of this section shall be the same as to all classifications of property which may be taxed at the same millage without exceeding the one per cent limit. In any event, the millage amount levied under division (E)(2) of this section on all land and improvements thereon in the subdivision shall be the same.

(G) Nothing in this section shall be applied to impair the authority of a municipal corporation under section 5705.18 of the Revised Code. Levies which are authorized by the charter of a municipal corporation without necessity for further vote and which are available for debt charges shall continue to be treated as levies outside the ten-mill limit and outside the one per cent limit in determining the indirect debt limit.

Sec. 5727.84. (A) As used in this section and sections 5727.85, 5727.86, and 5727.87 of the Revised Code:

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

(2) "Joint vocational school district" means a joint vocational school district created under section 3311.16 of the Revised Code, and includes a cooperative education school district created under section 3311.52 or 3311.521 of the Revised Code and a county school financing district created under section 3311.50 of the Revised Code.

(3) "Local taxing unit" means a subdivision or taxing unit, as defined in section 5705.01 of the Revised Code, a park district created under Chapter 1545. of the Revised Code, or a township park district established under section 511.23 of the Revised Code, but excludes school districts and joint vocational school districts.

(4) "State education aid" means the sum of state aid amounts computed for a school district or joint vocational school district under Chapter 3317. of the Revised Code.

(5) "State education aid offset" means the amount determined for each school district or joint vocational school district under division (A)(1) of section 5727.85 of the Revised Code.

(6) "Recognized valuation" has the same meaning as in section 3317.02

of the Revised Code.

(7) "Electric company tax value loss" means the amount determined under division (D) of this section.

(8) "Natural gas company tax value loss" means the amount determined under division (E) of this section.

(9) "Tax value loss" means the sum of the electric company tax value loss and the natural gas company tax value loss.

(10) "Fixed-rate levy" means any tax levied on property other than a fixed-sum levy.

(11) "Fixed-rate levy loss" means the amount determined under division (G) of this section.

(12) "Fixed-sum levy" means a tax levied on property at whatever rate is required to produce a specified amount of tax money or levied in excess of the ten-mill limitation to pay debt charges, and includes school district emergency levies imposed pursuant to section 5705.194 of the Revised Code.

(13) "Fixed-sum levy loss" means the amount determined under division (H) of this section.

(14) "Consumer price index" means the consumer price index (all items, all urban consumers) prepared by the bureau of labor statistics of the United States department of labor.

(B) The kilowatt-hour tax receipts fund is hereby created in the state treasury and shall consist of money arising from the tax imposed by section 5727.81 of the Revised Code. All money in the kilowatt-hour tax receipts fund shall be credited as follows:

(1) Fifty-nine and nine hundred seventy-six one-thousandths per cent, shall be credited to the general revenue fund.

(2) Two and six hundred forty-six one-thousandths per cent shall be credited to the local government fund, for distribution in accordance with section 5747.50 of the Revised Code.

(3) Three hundred seventy-eight one-thousandths per cent shall be credited to the local government revenue assistance fund, for distribution in accordance with section 5747.61 of the Revised Code.

(4) Twenty-five and ~~nine-tenths~~ four-tenths per cent shall be credited to the school district property tax replacement fund, which is hereby created in the state treasury for the purpose of making the payments described in section 5727.85 of the Revised Code.

(5) Eleven and ~~one-tenth~~ six-tenths per cent shall be credited to the local government property tax replacement fund, which is hereby created in the state treasury for the purpose of making the payments described in section

5727.86 of the Revised Code.

(6) In fiscal years 2002, 2003, 2004, 2005, and 2006, if the revenue arising from the tax levied by section 5727.81 of the Revised Code is less than five hundred fifty-two million dollars, the amount credited to the general revenue fund under division (B)(1) of this section shall be reduced by the amount necessary to credit to each of the funds in divisions (B)(2) and (3) of this section the amount it would have received if the tax did raise five hundred fifty-two million dollars for that fiscal year. The tax commissioner shall certify to the director of budget and management the amounts that shall be credited under this division.

(7) Beginning in fiscal year 2007, if the revenue arising from the tax levied by section 5727.81 of the Revised Code is less than five hundred fifty-two million dollars, the amount credited to the general revenue fund under division (B)(1) of this section shall be reduced by the amount necessary to credit to each of the funds in divisions (B)(2), (3), (4), and (5) of this section the amount that it would have received if the tax did raise five hundred fifty-two million dollars for that fiscal year. The tax commissioner shall certify to the director of budget and management the amounts to be credited under division (B)(7) of this section.

(C) The natural gas tax receipts fund is hereby created in the state treasury and shall consist of money arising from the tax imposed by section 5727.811 of the Revised Code. All money in the fund shall be credited as follows:

(1) ~~Seventy~~ Sixty-eight and seven-tenths per cent shall be credited to the school district property tax replacement fund for the purpose of making the payments described in section 5727.85 of the Revised Code.

(2) Thirty-one and three-tenths per cent shall be credited to the local government property tax replacement fund for the purpose of making the payments described in section 5727.86 of the Revised Code.

(3) Beginning in fiscal year 2007, if the revenue arising from the tax levied by section 5727.811 of the Revised Code is less than ninety million dollars, an amount equal to the difference between the amount collected and ninety million dollars shall be transferred from the general revenue fund to each of the funds in divisions (C)(1) and (2) of this section in the same percentages as if that amount had been collected as taxes under section 5727.811 of the Revised Code. The tax commissioner shall certify to the director of budget and management the amounts that shall be transferred under this division.

(D) Not later than January 1, 2002, the tax commissioner shall determine for each taxing district its electric company tax value loss, which

is the sum of the amounts described in divisions (D)(1) and (2) of this section:

(1) The difference obtained by subtracting the amount described in division (D)(1)(b) from the amount described in division (D)(1)(a) of this section.

(a) The value of electric company and rural electric company tangible personal property as assessed by the tax commissioner for tax year 1998 on a preliminary assessment, or an amended preliminary assessment if issued prior to March 1, 1999, and as apportioned to the taxing district for tax year 1998;

(b) The value of electric company and rural electric company tangible personal property as assessed by the tax commissioner for tax year 1998 had the property been apportioned to the taxing district for tax year 2001, and assessed at the rates in effect for tax year 2001.

(2) The difference obtained by subtracting the amount described in division (D)(2)(b) from the amount described in division (D)(2)(a) of this section.

(a) The three-year average for tax years 1996, 1997, and 1998 of the assessed value from nuclear fuel materials and assemblies assessed against a person under Chapter 5711. of the Revised Code from the leasing of them to an electric company for those respective tax years, as reflected in the preliminary assessments;

(b) The three-year average assessed value from nuclear fuel materials and assemblies assessed under division (D)(2)(a) of this section for tax years 1996, 1997, and 1998, as reflected in the preliminary assessments, using an assessment rate of twenty-five per cent.

(E) Not later than January 1, 2002, the tax commissioner shall determine for each taxing district its natural gas company tax value loss, which is the sum of the amounts described in divisions (E)(1) and (2) of this section:

(1) The difference obtained by subtracting the amount described in division (E)(1)(b) from the amount described in division (E)(1)(a) of this section.

(a) The value of all natural gas company tangible personal property, other than property described in division (E)(2) of this section, as assessed by the tax commissioner for tax year 1999 on a preliminary assessment, or an amended preliminary assessment if issued prior to March 1, 2000, and apportioned to the taxing district for tax year 1999;

(b) The value of all natural gas company tangible personal property, other than property described in division (E)(2) of this section, as assessed by the tax commissioner for tax year 1999 had the property been

apportioned to the taxing district for tax year 2001, and assessed at the rates in effect for tax year 2001.

(2) The difference in the value of current gas obtained by subtracting the amount described in division (E)(2)(b) from the amount described in division (E)(2)(a) of this section.

(a) The three-year average assessed value of current gas as assessed by the tax commissioner for tax years 1997, 1998, and 1999 on a preliminary assessment, or an amended preliminary assessment if issued prior to March 1, 2001, and as apportioned in the taxing district for those respective years;

(b) The three-year average assessed value from current gas under division (E)(2)(a) of this section for tax years 1997, 1998, and 1999, as reflected in the preliminary assessment, using an assessment rate of twenty-five per cent.

(F) The tax commissioner may request that natural gas companies, electric companies, and rural electric companies file a report to help determine the tax value loss under divisions (D) and (E) of this section. The report shall be filed within thirty days of the commissioner's request. A company that fails to file the report or does not timely file the report is subject to the penalty in section 5727.60 of the Revised Code.

(G) Not later than January 1, 2002, the tax commissioner shall determine for each school district, joint vocational school district, and local taxing unit its fixed-rate levy loss, which is the sum of its electric company tax value loss multiplied by the tax rate in effect in tax year 1998 for fixed-rate levies and its natural gas company tax value loss multiplied by the tax rate in effect in tax year 1999 for fixed-rate levies.

(H) Not later than January 1, 2002, the tax commissioner shall determine for each school district, joint vocational school district, and local taxing unit its fixed-sum levy loss, which is the amount obtained by subtracting the amount described in division (H)(2) of this section from the amount described in division (H)(1) of this section:

(1) The sum of the electric company tax value loss multiplied by the tax rate in effect in tax year 1998, and the natural gas company tax value loss multiplied by the tax rate in effect in tax year 1999, for fixed-sum levies for all taxing districts within each school district, joint vocational school district, and local taxing unit. For the years 2002 through 2006, this computation shall include school district emergency levies that existed in 1998 in the case of the electric company tax value loss, and 1999 in the case of the natural gas company tax value loss, and all other fixed-sum levies that existed in 1998 in the case of the electric company tax value loss and 1999 in the case of the natural gas company tax value loss and continue to be

charged in the tax year preceding the distribution year. For the years 2007 through 2016 in the case of school district emergency levies, and for all years after 2006 in the case of all other fixed-sum levies, this computation shall exclude all fixed-sum levies that existed in 1998 in the case of the electric company tax value loss and 1999 in the case of the natural gas company tax value loss, but are no longer in effect in the tax year preceding the distribution year. For the purposes of this section, an emergency levy that existed in 1998 in the case of the electric company tax value loss, and 1999 in the case of the natural gas company tax value loss, continues to exist in a year beginning on or after January 1, 2007, but before January 1, 2017, if, in that year, the board of education levies a school district emergency levy for an annual sum at least equal to the annual sum levied by the board in tax year 1998 or 1999, respectively, less the amount of the payment certified under this division for 2002.

(2) The total taxable value in tax year 1999 less the tax value loss in each school district, joint vocational school district, and local taxing unit multiplied by one-fourth of one mill.

If the amount computed under division (H) of this section for any school district, joint vocational school district, or local taxing unit is greater than zero, that amount shall equal the fixed-sum levy loss reimbursed pursuant to division (E) of section 5727.85 of the Revised Code or division (A)(2) of section 5727.86 of the Revised Code, and the one-fourth of one mill that is subtracted under division (H)(2) of this section shall be apportioned among all contributing fixed-sum levies in the proportion of each levy to the sum of all fixed-sum levies within each school district, joint vocational school district, or local taxing unit.

(I) Notwithstanding divisions (D), (E), (G), and (H) of this section, in computing the tax value loss, fixed-rate levy loss, and fixed-sum levy loss, the tax commissioner shall use the greater of the 1998 tax rate or the 1999 tax rate in the case of levy losses associated with the electric company tax value loss, but the 1999 tax rate shall not include for this purpose any tax levy approved by the voters after June 30, 1999, and the tax commissioner shall use the greater of the 1999 or the 2000 tax rate in the case of levy losses associated with the natural gas company tax value loss.

(J) Not later than January 1, 2002, the tax commissioner shall certify to the department of education the tax value loss determined under divisions (D) and (E) of this section for each taxing district, the fixed-rate levy loss calculated under division (G) of this section, and the fixed-sum levy loss calculated under division (H) of this section. The calculations under divisions (G) and (H) of this section shall separately display the levy loss for

each levy eligible for reimbursement.

(K) Not later than September 1, 2001, the tax commissioner shall certify the amount of the fixed-sum levy loss to the county auditor of each county in which a school district with a fixed-sum levy loss has territory.

SECTION 2. That existing sections 118.13, 325.03, 325.14, 325.15, 3315.40, 3316.12, 3316.20, 3317.025, 3317.026, 3317.027, 3317.028, 3317.0210, 3317.0211, 3318.07, 5705.281, 5705.29, 5705.30, 5705.31, 5705.32, 5705.34, 5705.341, 5705.35, 5705.38, 5705.391, 5705.51, and 5727.84 of the Revised Code are hereby repealed.

SECTION 3. The amendments by this act to sections 325.03, 325.14, and 325.15 of the Revised Code conform the language of the sections to the exact language in which they were passed in Sub. H.B. 712 of the 123rd General Assembly. Because of an unintentional computer formatting translation error, enrolled Sub. H.B. 712 as it affected the three sections was not printed in the exact language in which it was passed. The error, and thus the amendments of this act correcting it, are nonsubstantive for three reasons. First, study of the schedule sequencing in divisions (A), (B), (C), and (D) of section 325.03 of the Revised Code, both independently and in comparison with the schedule sequencing in related sections 325.04, 325.06, 325.08, 325.09, and 325.10 of the Revised Code, indicates erroneous schedule sequence labeling in section 325.03 of the Revised Code. Second, study of the schedule sequencing and pay differentials in sections 325.14 and 325.15 of the Revised Code, both independently and in comparison with the schedule sequencing and pay differentials in related section 325.11 of the Revised Code, indicate erroneous schedule sequence and pay differential labeling in sections 325.14 and 325.15 of the Revised Code. And finally, "calendar" is misspelled in sections 325.03, 325.14, and 325.15 of the Revised Code. For these reasons, the amendments of this act to sections 325.03, 325.14, and 325.15 of the Revised Code are to be construed as having the effects specified in division (A) of section 1.30 of the Revised Code.

SECTION 4. Section 3317.0210 of the Revised Code, as amended by this act, applies to recomputations of basic state aid as authorized by that section for fiscal years 2002 and thereafter and, in the case of a school district that notified the Department of Education of uncollectable taxes for tax year 1999 as provided under division (D) of that section as that section existed before its amendment by this act, for fiscal year 2001. If a school district notified the Department of Education of uncollectable taxes for tax year 1999 or 2000 as provided under that division, the school district shall be deemed to have made the notification under division (B) of section 3317.0210 of the Revised Code as amended by this act and shall not be required to again notify the Department of uncollectable taxes for tax year 1999 or 2000.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

Sub. H. B. No. 129

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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 _____