## As Reported by the House Municipal Government and Urban Revitalization Committee

## 125th General Assembly Regular Session 2003-2004

Sub. H. B. No. 256

Representatives Setzer, Fessler, McGregor, Allen, Seaver, Seitz, Sferra, Wolpert, Willamowski

## A BILL

То	amend sections 709.45 to 709.48 and to enact	1
	sections 709.461 and 709.462 of the Revised Code	2
	to revise the Merger Law.	3

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

<b>Section 1.</b> That sections 709.45, 709.46, 709.47, and 709.48	4
be amended and sections 709.461 and 709.462 of the Revised Code be	5
enacted to read as follows:	6

Sec. 709.45. (A) A petition may be filed with the board of 7 elections proposing that one or more municipal corporations be 8 merged with another municipal corporation, or that the 9 unincorporated area of a township be merged with one or more 10 municipal corporations, as provided by section 709.44 of the 11 Revised Code. Such The petition may be presented in separate 12 petition papers. Each such petition paper shall contain, in 13 concise language, the purpose of the petition and the names of not 14 less than five electors of each such affected municipal 15 corporation, or the names of not less than five electors of the 16 unincorporated area of such the township and the names of not less 17 than five electors of each <u>affected</u> municipal corporation, to be 18

nominated to serve as commissioners. The petition shall be 19 governed by the rules of section 3501.38 of the Revised Code. Such 20 The petition shall contain signatures of electors of each 21 municipal corporation or of each municipal corporation and the 22 unincorporated area of the township proposed to be merged and 23 signatures of electors of the municipal corporation with which 24 merger is proposed, numbering not less than ten per cent of the 25 number of electors residing in each such political subdivision who 26 voted for the office of governor at the most recent general 27 election for such that office. Such 28

(B) The petition shall be filed with the board of elections 29 of the county in which the largest portion of the population of 30 the municipal corporation with which merger is proposed resides. 31 Such The board of elections shall cause the validity of all 32 signatures to be ascertained and, in doing so, may require the 33 assistance of boards of elections of other counties as the case 34 requires. If the petition is sufficient, the board of elections of 35 the county in which the petition is required to be filed shall 36 submit the question: "Shall a commission be chosen to draw up a 37 statement of conditions for merger of the political subdivisions 38 of ....... for the approval or 39 rejection of the electors of each political subdivision proposed 40 to be merged and the electors of the municipal corporation to 41 which merger is proposed at the next general election, in any 42 year, occurring subsequent to the period ending seventy-five days 43 after the filing of such petitions the petition with the board. 44 Provision shall be made on the ballot for the election, from each 45 of the component political subdivisions, of five electors who 46 shall constitute the commission to draw up the statement of 47 conditions for merger of the political subdivisions. If any of the 48 political subdivisions for which merger is proposed are located 49 wholly or partially in a county other than the one in which the 50 Sub. H. B. No. 256 As Reported by the House Municipal Government and Urban Revitalization Committee Page 3

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petition is required to be filed, the board of elections of the county in which such the petition is filed shall, if the petition is found to be sufficient, certify the sufficiency of such the petition and the statement of the issue to be voted on to the boards of elections of such those other counties; the boards of elections of such those other counties shall submit the question of merging and the names of candidates to be elected to the commission to draw up the statement of conditions for merger, for the approval or rejection of the electors in the portions of such those political subdivisions within their respective counties; and, upon the holding of such the election, the boards of elections of those other counties shall certify the result thereof election results to the board of elections of the county in which the petition is required to be filed.

(C) In addition to the filing of the petition with the board 65 of elections as provided in division (B) of this section, a copy 66 of the petition shall be filed with the legislative authority of 67 each affected municipal corporation and, if applicable, the board 68 of township trustees of the affected township. At a public meeting 69 scheduled not less than thirty days before the date of the 70 election at which the question of merging goes before the 71 electors, each of those legislative authorities and, if 72 applicable, the board of township trustees shall state and explain 73 their position on the proposed merger. 74

Sec. 709.46. (A) If the question of merging one or more 75 municipal corporations and the unincorporated territory area of a 76 township, as provided in section 709.45 of the Revised Code, is 77 disapproved by a majority of those voting on it in the township or 78 a municipal corporation proposed to be merged or in the municipal 79 corporation with which merger is proposed, no further petitions 80 shall be filed under that section proposing the same merger for at 81 least three years after the date of such that disapproval. If 82

If the question of merging as provided in section 709.45 of 83 the Revised Code is approved by a majority of those voting on it 84 in each political subdivision proposed to be merged and in the 85 municipal corporation with which merger is proposed, the five 86 candidates from each such of those political subdivision 87 subdivisions shall be elected to the commission to formulate the 88 conditions of merging the political subdivisions. The first 89 meeting of such the commission shall be held in the chamber of the 90 legislative authority of the municipal corporation which that has 91 the smallest population, or, in the case of a merger of the 92 unincorporated area of a township and one or more municipal 93 corporations, in the office of the board of township trustees, at 94 nine a.m. on the tenth day after the certification of the election 95 by the last of the respective boards of elections to make such 96 that certification, unless such that day is a Saturday, Sunday, or 97 holiday, in which case such the first meeting shall be held on the 98 next day thereafter which is not a Saturday, Sunday, or holiday. 99 The 100

The clerk of the municipal legislative authority or of the 101 board of township trustees in whose chamber or office the first 102 meeting of the commission is held shall serve as temporary 103 chairman chairperson until permanent officers are elected. The 104 commission shall elect its own permanent officers and shall 105 proceed to meet as often as necessary to formulate conditions for 106 merger that are satisfactory to a majority of the members of such 107 the commission from each political subdivision. 108

(B) In case of a vacancy on the commission, the vacancy shall
be filled by an appointee of the legislative authority of the
municipal corporation, or the board of township trustees of the
township, that the prior commissioner represented. The person
appointed to fill the vacancy shall be an elector of that
political subdivision and, if the person is representing a

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township, shall reside in the unincorporated area of that	115
township.	
(C) The costs of the commission shall be divided among the	117
participating political subdivisions in proportion to the	118
population that each participating political subdivision bears to	119
the total population of the territory proposed to be merged. For	120
these purposes, a township's population shall be based solely upon	121
the population of the unincorporated area of the township proposed	122
to be merged. It shall be a proper public purpose for a municipal	123
corporation or township to expend general fund moneys for these	124
payments.	125
(D) All meetings of a merger the commission shall be subject	126
to the requirements of section 121.22 of the Revised Code.	127
The conditions of merger may provide for the election, prior	128
to the merger, of new officers to govern the municipal corporation	129
with which merger is proposed after the merger is complete,	130
provided that such a provision does not conflict with the charter	131
of the municipal corporation with which merger is proposed. If	132
more than one municipal corporation is to be included in the	133
merger, the conditions of merger shall designate one of the	134
municipal corporations as the municipal corporation into which the	135
township and any other municipal corporations involved are being	136
merged. The conditions of merger may also provide that the	137
municipal corporation into which the other political subdivisions	138
are to be merged shall amend its existing charter to include	139
specified provisions and may state that the merger, if approved,	140
shall not become effective until the date on which that municipal	141
charter includes the required provisions. In the case of a merger	142
of a township with a single municipal corporation, the merger	143
conditions may also provide for the annexation of a school	144
district located wholly within the township to the school district	145
of the municipal corporation. As soon as the conditions have been	146

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147 agreed upon by a majority of the members of the commission from 148 each political subdivision, this fact shall be reported to the 149 board of elections of each of the counties in which the political 150 subdivisions proposed for merger are located and the question 151 shall be submitted to the voters at the next general election 152 occurring after the commission is elected. Regardless of whether a 153 merger commission of a township and a municipal corporation 154 succeeds in reaching agreement, the commission shall cease to 155 exist on the seventy-fifth day prior to the next general election 156 after the commission is elected. The boards of elections shall 157 submit the conditions of proposed merger for the approval or 158 rejection of the electors in the portions of such political 159 subdivisions within their respective counties and, upon the 160 holding of such election, shall certify the results thereof to the 161 board of elections of the county in which the petition is required 162 to be filed.

Sec. 709.461. (A) In formulating the proposed merger 163 conditions, the commission shall attempt to work in a 164 collaborative process that results in a consensus of its members 165 as to the best proposal for all of the political subdivisions 166 involved. To this end, the commission shall adopt rules for the 167 orderly operation of commission meetings that permit all 168 commission members to be coleaders, as appropriate, so that 169 overall no one member has more authority than any of the other 170 members in determining the proposed conditions. These rules may 171 create a framework for building agreement among the members to 172 adopt proposed conditions. The commission also shall seek the 173 advice of both public and private sources to help the commission 174 fully study the merger situation so that appropriate conditions 175 are drafted. If funding permits, the commission may contract with 176 a dispute resolution expert to help make the process more 177 collaborative. 178

Sub. H. B. No. 256 Page 8 As Reported by the House Municipal Government and Urban Revitalization Committee 210 members of the commission from each political subdivision votes 211 against the merger, no further proceedings shall be had on the 212 petition filed under section 709.45 of the Revised Code, and no 213 further petitions shall be filed under that section proposing a 214 merger of any or all of the political subdivisions that were the 215 subjects of that petition for at least three years after the date 216 of the commission's vote. (C) If proposed merger conditions are agreed upon by a 217 majority of the members of the commission from each political 218 subdivision, the commission shall issue a report listing the 219 conditions agreed to and the reasoning behind adopting each 220 condition. In addition, after the next general election occurring 221 after the election of the members of the commission, but not less 222 than seventy-five days preceding the second general election 223 occurring after the election of the members of the commission, the 224 commission, unless it has ceased to exist under division (D) of 225 this section, shall certify the fact of that agreement and a list 226 of the agreed-to merger conditions to the board of elections of 227 each of the counties in which the political subdivisions proposed 228 for merger are located. The question of the approval or rejection 229 of the merger conditions shall be submitted to the voters at that 230 second general election occurring after the election of the 231 members of the commission. The boards of elections shall submit 232 the merger conditions for the approval or rejection of the 233 electors in the portions of the political subdivisions within 234 their respective counties, and, upon the holding of the election, 235 each board of elections other than the board of the county in 236 which the petition is required to be filed shall certify its 237 results to the board of elections of the county in which the 238 petition is required to be filed. 239 (D) Regardless of whether a merger commission succeeds in 240 reaching an agreement, the commission shall cease to exist on the 241

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242 seventy-fifth day preceding the next general election occurring 243 after the election of the members of the commission, unless the 244 commission requests an extension of time from the legislative 245 authority of each political subdivision involved and each of those 246 legislative authorities approves the extension. This extension of 247 time may be only until the seventy-fifth day preceding the second 248 general election occurring after the election of the members of 249 the commission. If the commission ceases to exist under this 250 division, no further petitions shall be filed under section 709.45 251 of the Revised Code proposing a merger of any or all of the 252 political subdivisions that were the subjects of the petition 253 considered by the commission for at least three years after the 254 date the commission ceases to exist.

Sec. 709.47. (A) If the merger conditions of merger agreed 255 upon by a merger commission of a township and one or more 256 municipal corporations are disapproved by a majority of those 257 voting on them in the township or a municipal corporation proposed 258 to be merged or in the municipal corporation with which merger is 259 proposed, no further petitions shall be filed under section 709.45 260 of the Revised Code proposing the same merger of any of the 261 territory within that proposed merger for at least three years 262 after the date of such that disapproval. If the 263

If merger conditions of merger are approved by a majority of 264 those voting on them in each political subdivision proposed to be 265 merged and in the municipal corporation with which merger is 266 proposed, the merger is effective on the first day of January of 267 the year following the certification of the results of the 268 election by the board of elections with which the petition is 269 required to be filed, unless the conditions specify a different 270 date, in which case the date specified is the effective date of 271 merger. On and after such the effective date, the territory of 272

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each political subdivision proposed to be merged is annexed to and	273
included in the territory and corporate boundaries of the	274
municipal corporation with which the merger is proposed. The form	275
of government, ordinances, resolutions, and other rules of the	276
municipal corporation with which merger is proposed apply	277
throughout such the newly included territories to the extent they	278
are not in conflict with the conditions approved by the electors.	279
The charter, if any, of the municipal corporation with which	280
merger is proposed applies throughout the newly included	281
territories. The corporate existence and the offices of the	282
municipal corporations or of the township proposed to be merged	283
terminate on <del>such</del> <u>that</u> date. <del>The</del>	284
(B) The municipal corporation with which merger is proposed	285
succeeds to the <u>following</u> interests of <del>the</del> <u>each</u> political	286
subdivision proposed to be merged in:	287
$\frac{(A)}{(1)}$ All moneys, taxes, and special assessments, whether	288
such the moneys, taxes, or special assessments are in the	289
treasury, or in the process of collection;	290
$\frac{(B)}{(2)}$ All property and interests in property, whether real	291
or personal;	292
$\frac{(C)}{(3)}$ All rights and interests in contracts or in	293
securities, bonds, notes, or other instruments;	294
$\frac{(D)}{(4)}$ All accounts receivable and rights of action;	295
$\frac{(E)}{(5)}$ All other matters not included in division (A),	296
divisions (B), (C), or (D)(1) to (4) of this section.	297
(C) On and after such the merger's effective date, the	298
municipal corporation with which merger is proposed is liable for	299
all outstanding franchises, contracts, debts, and other legal	300
claims, actions, and obligations of the political subdivision	301
subdivisions proposed to be merged.	302

transition plans and the creation of a compromise transition plan

that addresses, among other potential issues for agreement between

the county and municipal corporation, the issues listed in

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division (D)(1) of this section.	334
(4) Within sixty days after the date of the meeting between	335
the board of county commissioners and the legislative authority of	336
the municipal corporation under division (D)(3) of this section,	337
the board and the legislative authority shall agree upon a	338
compromise transition plan.	339
Sec. 709.48. On and after the date on which a petition is	340
filed with the board of elections under section 709.45 of the	341
Revised Code for the election of a merger commission for the	342
merger of one or more municipal corporations and the	343
unincorporated territory of a township, no petition for the	344
annexation of any part of the unincorporated territory of the	345
township shall be filed with a board of county commissioners under	346
section 709.03 or 709.15 of the Revised Code, until one of the	347
following occurs:	348
(A) The question of forming a merger commission is defeated	349
at the election provided for under section 709.45 of the Revised	350
Code by a majority of the electors of any one of the municipal	351
corporations or the unincorporated territory of the township in	352
which the election is held.	353
(B) The merger commission elected pursuant to section 709.45	354
of the Revised Code fails to reach agreement on <a href="mailto:merger">merger</a> conditions	355
of merger no later than by the seventy-fifth day prior to	356
preceding the next general election occurring after the election	357
of the members of the commission was elected or, if the time for	358
the commission's existence is extended under division (D) of	359
section 709.462 of the Revised Code, by the date that extension	
ceases, whichever is later.	361
(C) The $\underline{\text{merger}}$ conditions $\underline{\text{of merger}}$ agreed upon by the $\underline{\text{merger}}$	362
commission are defeated by a majority of the electors of any one	363

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of the municipal corporations or the unincorporated territory of	364
the township in which the election on the conditions is held.	365
Section 2. That existing sections 709.45, 709.46, 709.47, and	366
709.48 of the Revised Code are hereby repealed.	367