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Sub. H. B. No. 97

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Schaffer, Faber, Allen, White, Seaver, Ujvagi, Webster, Fessler, Callender,
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Senators Robert Gardner, Mumper, Stivers, Schuler, Roberts, Amstutz,
Carey, Carnes, White**

A B I L L

To amend sections 133.09, 505.37, 505.50, and 1
5549.021, and to enact sections 505.267 and 2
4931.03 of the Revised Code to permit a board of 3
township trustees and boards of trustees of a 4
joint township police district, a township fire 5
district, a joint fire district, or a fire and 6
ambulance district to enter into lease or lease 7
with an option to purchase agreements for real and 8
personal property and to permit a telephone 9
company to construct telegraph or telephone lines 10
upon, along, and beneath the public roads, 11
highways, and waters that are in the 12
unincorporated area of a township. 13

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

Section 1. That sections 133.09, 505.37, 505.50, and 5549.021 14
be amended and sections 505.267 and 4931.03 of the Revised Code be 15
enacted to read as follows: 16

Sec. 133.09. (A) Unless it is a township that has adopted a 17
limited home rule government under Chapter 504. of the Revised 18
Code, a township shall not incur net indebtedness that exceeds an 19
amount equal to five per cent of its tax valuation and, except as 20
specifically authorized by section 505.262 of the Revised Code or 21
other laws, shall not incur any net indebtedness unless authorized 22
by vote of the electors. 23

(B) A township that has adopted a limited home rule 24
government under Chapter 504. of the Revised Code shall not incur 25
net indebtedness that exceeds an amount equal to ten and one-half 26
per cent of its tax valuation, or incur without a vote of the 27
electors net indebtedness that exceeds an amount equal to five and 28
one-half per cent of that tax valuation. In calculating the net 29
indebtedness of a township that has adopted a limited home rule 30
government, none of the following securities shall be considered: 31

(1) Self-supporting securities issued for any purpose; 32

(2) Securities issued for the purpose of purchasing, 33
constructing, improving, or extending water or sanitary or surface 34
and storm water sewerage systems or facilities, or a combination 35
of those systems or facilities, to the extent that an agreement 36
entered into with another subdivision requires the other 37
subdivision to pay to the township amounts equivalent to debt 38
charges on the securities; 39

(3) Securities that are not general obligations of the 40
township; 41

(4) Voted securities issued for the purposes of redevelopment 42
to the extent that their principal amount does not exceed an 43

amount equal to two per cent of the tax valuation of the township; 44

(5) Securities issued for the purpose of acquiring or 45
constructing roads, highways, bridges, or viaducts, or for the 46
purpose of acquiring or making other highway permanent 47
improvements, to the extent that the resolution of the board of 48
township trustees authorizing the issuance of the securities 49
includes a covenant to appropriate from money distributed to the 50
township under Chapter 4501., 4503., 4504., or 5735. of the 51
Revised Code a sufficient amount to cover debt charges on and 52
financing costs relating to the securities as they become due; 53

(6) Securities issued for energy conservation measures under 54
section 505.264 of the Revised Code. 55

(C) In calculating the net indebtedness of any township, no 56
obligation incurred under division (B) of section 513.17 or under 57
section 505.261, 505.264, 505.265, 505.267, or 505.37 of the 58
Revised Code shall be considered. 59

Sec. 505.267. (A) As used in this section: 60

(1) "Lease-purchase agreement" has the same meaning as a 61
lease with an option to purchase. 62

(2) "Public obligation" has the same meaning as in section 63
133.01 of the Revised Code. 64

(B) For any purpose for which a board of township trustees, 65
or a board of trustees of a joint township police district, a 66
township fire district, a joint fire district, or a fire and 67
ambulance district is authorized to acquire real or personal 68
property, that board may enter into a lease-purchase agreement in 69
accordance with this section to acquire the property. The board's 70
resolution authorizing the lease-purchase agreement may provide 71
for the issuance of certificates of participation or other 72
evidences of fractionalized interests in the lease-purchase 73

agreement, for the purpose of financing, or refinancing or 74
refunding, any public obligation that financed or refinanced the 75
acquisition of the property. Sections 9.94, 133.03, and 133.30 of 76
the Revised Code shall apply to any such fractionalized interests. 77

The lease-purchase agreement shall provide for a series of 78
terms in which no term extends beyond the end of the fiscal year 79
of the township or district in which that term commences. In 80
total, the terms provided for in the agreement shall be for not 81
more than the useful life of the real or personal property that is 82
the subject of the agreement. A property's useful life shall be 83
determined either by the maximum number of installment payments 84
permitted under the statute that authorizes the board to acquire 85
the property or, if there is no such provision, by the maximum 86
number of years to maturity provided for the issuance of bonds in 87
division (B) of section 133.20 of the Revised Code for that 88
property. If the useful life cannot be determined under either of 89
those statutes, it shall be estimated as provided in division (C) 90
of section 133.20 of the Revised Code. 91

The lease-purchase agreement shall provide that, at the end 92
of the final term in the agreement, if all obligations of the 93
township or district have been satisfied, the title to the leased 94
property shall vest in the township or district executing the 95
lease-purchase agreement, if that title has not vested in the 96
township or district before or during the lease terms; except that 97
the lease-purchase agreement may require the township or district 98
to pay an additional lump sum payment as a condition of obtaining 99
that title. 100

(C) A board of trustees that enters into a lease-purchase 101
agreement under this section may do any of the following with the 102
property that is the subject of the agreement: 103

(1) If the property is personal property, assign the board's 104

<u>rights to that property;</u>	105
<u>(2) Grant the lessor a security interest in the property;</u>	106
<u>(3) If the property is real property, grant leases,</u>	107
<u>easements, or licenses for underlying land or facilities under the</u>	108
<u>board's control for terms not exceeding five years beyond the</u>	109
<u>final term of the lease-purchase agreement.</u>	110
<u>(D) The authority granted in this section is in addition to,</u>	111
<u>and not in derogation of, any other financing authority provided</u>	112
<u>by law.</u>	113
Sec. 505.37. (A) The board of township trustees may establish	114
all necessary rules to guard against the occurrence of fires and	115
to protect the property and lives of the citizens against damage	116
and accidents, and may, with the approval of the specifications by	117
the prosecuting attorney or, if the township has adopted limited	118
home rule government under chapter <u>Chapter</u> 504 7 , of the Revised	119
Code, with the approval of the specifications by the township's	120
law director, <u>purchase, lease, lease with an option to purchase,</u>	121
or otherwise provide any fire apparatus, mechanical resuscitators,	122
or other equipment, appliances, materials, fire hydrants, and	123
water supply for fire-fighting purposes that seems advisable to	124
the board. The board shall provide for the care and maintenance of	125
fire equipment, and, for these purposes, may purchase, lease,	126
<u>lease with an option to purchase,</u> or construct and maintain	127
necessary buildings, and it may establish and maintain lines of	128
fire-alarm communications within the limits of the township. The	129
board may employ one or more persons to maintain and operate	130
fire-fighting equipment, or it may enter into an agreement with a	131
volunteer fire company for the use and operation of fire-fighting	132
equipment. The board may compensate the members of a volunteer	133
fire company on any basis and in any amount that it considers	134
equitable.	135

(B) The boards of township trustees of any two or more townships, or the legislative authorities of any two or more political subdivisions, or any combination thereof, may, through joint action, unite in the joint purchase, lease, lease with an option to purchase, maintenance, use, and operation of fire-fighting equipment, or for any other purpose designated in sections 505.37 to 505.42 of the Revised Code, and may prorate the expense of the joint action on any terms that are mutually agreed upon.

(C) The board of township trustees of any township may, by resolution, whenever it is expedient and necessary to guard against the occurrence of fires or to protect the property and lives of the citizens against damages resulting from their occurrence, create a fire district of any portions of the township that it considers necessary. The board may purchase, lease, lease with an option to purchase, or otherwise provide any fire apparatus, appliances, materials, fire hydrants, and water supply for fire-fighting purposes, or may contract for the fire protection for the fire district as provided in section 9.60 of the Revised Code. The fire district so created shall be given a separate name by which it shall be known.

Additional unincorporated territory of the township may be added to a fire district upon the board's adoption of a resolution authorizing the addition. A municipal corporation that is within or adjoining the township may be added to a fire district upon the board's adoption of a resolution authorizing the addition and the municipal legislative authority's adoption of a resolution or ordinance requesting the addition of the municipal corporation to the fire district.

If the township fire district imposes a tax, additional unincorporated territory of the township or a municipal corporation that is within or adjoining the township shall become

part of the fire district only after all of the following have 168
occurred: 169

(1) Adoption by the board of township trustees of a 170
resolution approving the expansion of the territorial limits of 171
the district and, if the resolution proposes to add a municipal 172
corporation, adoption by the municipal legislative authority of a 173
resolution or ordinance requesting the addition of the municipal 174
corporation to the district; 175

(2) Adoption by the board of township trustees of a 176
resolution recommending the extension of the tax to the additional 177
territory; 178

(3) Approval of the tax by the electors of the territory 179
proposed for addition to the district. 180

Each resolution of the board adopted under division (C)(2) of 181
this section shall state the name of the fire district, a 182
description of the territory to be added, and the rate and 183
termination date of the tax, which shall be the rate and 184
termination date of the tax currently in effect in the fire 185
district. 186

The board of trustees shall certify each resolution adopted 187
under division (C)(2) of this section to the board of elections in 188
accordance with section 5705.19 of the Revised Code. The election 189
required under division (C)(3) of this section shall be held, 190
canvassed, and certified in the manner provided for the submission 191
of tax levies under section 5705.25 of the Revised Code, except 192
that the question appearing on the ballot shall read: 193

"Shall the territory within 194
(description of the proposed territory to be added) be added to 195
..... (name) fire district, and a property tax 196
at a rate of taxation not exceeding (here insert tax rate) 197
be in effect for (here insert the number of years the 198

tax is to be in effect or "a continuing period of time," as 199
applicable)?" 200

If the question is approved by at least a majority of the 201
electors voting on it, the joinder shall be effective as of the 202
first day of July of the year following approval, and on that 203
date, the township fire district tax shall be extended to the 204
taxable property within the territory that has been added. If the 205
territory that has been added is a municipal corporation and if it 206
had adopted a tax levy for fire purposes, the levy is terminated 207
on the effective date of the joinder. 208

Any municipal corporation may withdraw from a township fire 209
district created under division (C) of this section by the 210
adoption by the municipal legislative authority of a resolution or 211
ordinance ordering withdrawal. On the first day of July of the 212
year following the adoption of the resolution or ordinance of 213
withdrawal, the municipal corporation withdrawing ceases to be a 214
part of the district, and the power of the fire district to levy a 215
tax upon taxable property in the withdrawing municipal corporation 216
terminates, except that the fire district shall continue to levy 217
and collect taxes for the payment of indebtedness within the 218
territory of the fire district as it was composed at the time the 219
indebtedness was incurred. 220

Upon the withdrawal of any municipal corporation from a 221
township fire district created under division (C) of this section, 222
the county auditor shall ascertain, apportion, and order a 223
division of the funds on hand, moneys and taxes in the process of 224
collection except for taxes levied for the payment of 225
indebtedness, credits, and real and personal property, either in 226
money or in kind, on the basis of the valuation of the respective 227
tax duplicates of the withdrawing municipal corporation and the 228
remaining territory of the fire district. 229

A board of township trustees may remove unincorporated 230

territory of the township from the fire district upon the adoption 231
of a resolution authorizing the removal. On the first day of July 232
of the year following the adoption of the resolution, the 233
unincorporated township territory described in the resolution 234
ceases to be a part of the district, and the power of the fire 235
district to levy a tax upon taxable property in that territory 236
terminates, except that the fire district shall continue to levy 237
and collect taxes for the payment of indebtedness within the 238
territory of the fire district as it was composed at the time the 239
indebtedness was incurred. 240

(D) The board of township trustees of any township, the board 241
of fire district trustees of a fire district created under section 242
505.371 of the Revised Code, or the legislative authority of any 243
municipal corporation may purchase, lease, or lease with an option 244
to purchase the necessary fire-fighting equipment, buildings, and 245
sites for the township, fire district, or municipal corporation 246
and issue securities for that purpose with maximum maturities as 247
provided in section 133.20 of the Revised Code. The board of 248
township trustees, board of fire district trustees, or legislative 249
authority may also construct any buildings necessary to house 250
fire-fighting equipment and issue securities for that purpose with 251
maximum maturities as provided in section 133.20 of the Revised 252
Code. ~~The~~ 253

The board of township trustees, board of fire district 254
trustees, or legislative authority may issue the securities of the 255
township, fire district, or municipal corporation, signed by the 256
board or designated officer of the municipal corporation and 257
attested by the signature of the township, fire district, or 258
municipal clerk, covering any deferred payments and payable at the 259
times provided, which securities shall bear interest not to exceed 260
the rate determined as provided in section 9.95 of the Revised 261
Code, and shall not be subject to Chapter 133. of the Revised 262

Code. The legislation authorizing the issuance of the securities 263
shall provide for levying and collecting annually by taxation, 264
amounts sufficient to pay the interest on and principal of the 265
securities. The securities shall be offered for sale on the open 266
market or given to the vendor or contractor if no sale is made. 267

Section 505.40 of the Revised Code does not apply to any 268
securities issued, or any lease with an option to purchase entered 269
into, in accordance with this division. 270

(E) A board of township trustees of any township or a board 271
of fire district trustees of a fire district created under section 272
505.371 of the Revised Code may purchase a policy or policies of 273
liability insurance for the officers, employees, and appointees of 274
the fire department, fire district, or joint fire district 275
governed by the board that includes personal injury liability 276
coverage as to the civil liability of those officers, employees, 277
and appointees for false arrest, detention, or imprisonment, 278
malicious prosecution, libel, slander, defamation or other 279
violation of the right of privacy, wrongful entry or eviction, or 280
other invasion of the right of private occupancy, arising out of 281
the performance of their duties. 282

When a board of township trustees cannot, by deed of gift or 283
by purchase and upon terms it considers reasonable, procure land 284
for a township fire station that is needed in order to respond in 285
reasonable time to a fire or medical emergency, the board may 286
appropriate land for that purpose under sections 163.01 to 163.22 287
of the Revised Code. If it is necessary to acquire additional 288
adjacent land for enlarging or improving the fire station, the 289
board may purchase, appropriate, or accept a deed of gift for the 290
land for these purposes. 291

(F) As used in this division, "emergency medical service 292
organization" has the same meaning as in section 4766.01 of the 293
Revised Code. 294

A board of township trustees, by adoption of an appropriate resolution, may choose to have the Ohio ambulance licensing board license any emergency medical service organization it operates. If the board adopts such a resolution, Chapter 4766. of the Revised Code, except for sections 4766.06 and 4766.99 of the Revised Code, applies to the organization. All rules adopted under the applicable sections of that chapter also apply to the organization. A board of township trustees, by adoption of an appropriate resolution, may remove its emergency medical service organization from the jurisdiction of the Ohio ambulance licensing board.

Sec. 505.50. The board of township trustees may purchase, lease, lease with an option to purchase, or otherwise acquire any police apparatus, equipment, including a public communications system, or materials that the township police district requires and may build, purchase, lease, or lease with an option to purchase any building or buildings and site of the building or buildings that are necessary for the operations of the district.

The boards of trustees of any two or more contiguous townships, may, by joint agreement, unite in the joint purchase, lease, lease with an option to purchase, maintenance, use, and operation of police equipment, for any other police purpose designated in sections 505.48 to 505.55 of the Revised Code, and to prorate the expense of ~~such~~ that joint action on ~~such~~ terms as ~~are~~ mutually agreed upon by the trustees in each affected township.

The board of trustees of any township may enter into a contract with one or more townships, a municipal corporation, a park district created pursuant to section 511.18 or 1545.01 of the Revised Code, or the county sheriff upon any terms that are mutually agreed upon for the provision of police protection

services or additional police protection services either on a 326
regular basis or for additional protection in times of emergency. 327
The contract shall be agreed to in each instance by the respective 328
board or boards of township trustees, the board of county 329
commissioners, the board of park commissioners, or the legislative 330
authority of the municipal corporation involved. ~~Such~~ The contract 331
may provide for a fixed annual charge to be paid at the time 332
agreed upon in the contract. 333

Chapter 2744. of the Revised Code, insofar as it is 334
applicable to the operation of police departments, applies to the 335
contracting political subdivisions and police department members 336
when ~~such~~ the members are serving outside their own political 337
subdivision pursuant to such a contract. Police department members 338
acting outside the political subdivision in which they are 339
employed may participate in any pension or indemnity fund 340
established by their employer and are entitled to all the rights 341
and benefits of Chapter 4123. of the Revised Code, to the same 342
extent as while performing services within the political 343
subdivision. 344

Sec. 4931.03. (A) A telegraph or telephone company may do 345
either of the following in the unincorporated area of the 346
township: 347

(1) Construct telegraph or telephone lines upon and along any 348
of the public roads and highways and across any waters within that 349
area by the erection of the necessary fixtures, including posts, 350
piers, or abutments for sustaining the cords or wires of those 351
lines. Those lines shall be constructed so as not to incommode the 352
public in the use of the roads or highways, or endanger or 353
injuriously interrupt the navigation of the waters. 354

(2) Construct telegraph or telephone lines and the fixtures 355
necessary for containing and protecting those lines beneath the 356

surface of any of the public roads and highways and beneath any 357
waters within that area. Those lines shall be constructed so as 358
not to incommode the public in the use of the roads or highways, 359
or endanger or injuriously interrupt the navigation of the waters. 360

(B)(1) This section does not authorize the construction of a 361
bridge across any waters within the state. 362

(2) Construction under this section is subject to section 363
5571.16 of the Revised Code, as applicable, and any other 364
applicable law, including, but not limited to, any law requiring 365
approval of the legislative authority, the county engineer, or the 366
director of transportation. 367

Sec. 5549.021. (A) A board of township trustees may purchase 368
machinery, tools, trucks, and other equipment for use in 369
constructing, maintaining, and repairing roads and, subject to 370
Chapter 133. of the Revised Code, may issue for that purpose 371
general obligation bonds of the township for which the full faith 372
and credit of the township shall be pledged. 373

(B) A board of township trustees may enter into a lease for 374
machinery, tools, trucks, and other equipment for use in 375
constructing, maintaining, and repairing roads, including a lease 376
with an option to purchase. Any lease with an option to purchase 377
shall require the board to pay a cash down payment of at least 378
three-twentieths of the total cost. If the board sells used 379
equipment as part of a lease with option to purchase, the cash 380
down payment may be reduced by the amount of the selling price of 381
the used equipment. A lease with an option to purchase may be 382
entered into only with the lowest responsive and responsible 383
bidder of the equipment after advertising for bids in the manner 384
provided in section 5575.01 of the Revised Code. 385

Section 2. That existing sections 133.09, 505.37, 505.50, and 386

5549.021 of the Revised Code are hereby repealed.

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