

**As Reported by the House Finance and Appropriations
Committee**

**126th General Assembly
Regular Session
2005-2006**

Sub. H. B. No. 250

Representative Trakas

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A B I L L

To amend sections 5705.01 and 5705.25 and to enact 1
sections 3313.82 and 5705.219 of the Revised Code 2
to authorize two or more school boards to create a 3
taxing district for the joint funding of substance 4
abuse and intervention services and other 5
behavioral health services, or autism services, or 6
both, to students. 7

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

Section 1. That sections 5705.01 and 5705.25 be amended and 8
sections 3313.82 and 5705.219 of the Revised Code be enacted to 9
read as follows: 10

Sec. 3313.82. (A)(1) The boards of education of two or more 11
city, local, or exempted village school districts, by adopting 12
identical resolutions, may enter into an agreement providing for 13
the creation of a student special services district for the 14
purpose of funding one or both of the following for students 15
enrolled in those school districts: 16

(a) Substance abuse prevention and intervention services and 17
other behavioral health services; 18

(b) Autism services. 19

(2) The territory of a student special services district at any time shall be composed of the combined territories of the school districts that are parties to the agreement at that time. Services funded by a student special services district shall be available to all individuals enrolled in a school district that is a part of the student special services district. 20
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(3) The agreement may be amended pursuant to terms and procedures mutually agreed to by the boards of education that are parties to the agreement. 26
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(B) Each student special services district shall be governed by a board of directors. The superintendent of each board of education that is a party to the agreement shall serve on the board of directors. The agreement shall provide for the terms of office of directors. Directors shall receive no compensation, but shall be reimbursed, from the special fund of the student special services district, for the reasonable and necessary expenses they incur in the performance of their duties for the district. The agreement shall provide for the conduct of the board's initial organizational meeting and for the frequency of subsequent meetings and quorum requirements. At its first meeting, the board shall designate from among its members a president and secretary in the manner provided in the agreement. 29
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The board of directors of a student special services district is a body corporate and politic, is capable of suing and being sued, is capable of contracting within the limits of this section and the agreement governing the district, and is capable of accepting gifts, donations, bequests, or other grants of money for use in paying its expenses, but it shall not hold real property or tangible personal property. The district is a public office and its directors are public officials within the meaning of section 117.01 of the Revised Code, the board of directors is a public body within the meaning of section 121.22 of the Revised Code, and 42
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records of the board and of the district are public records within
the meaning of section 149.43 of the Revised Code.

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The agreement shall require the board to designate a
permanent location for its offices and meeting place, and may
provide for the use of such facilities and property for the
provision of services by the agencies with which the board
contracts under division (C) of this section. The board may, but
is not required to, designate the facilities and property of one
or more of the school districts that are part of the district as
its offices and meeting place.

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(C)(1) The board of directors of a student special services
district shall contract with one or both of the following for
services to students enrolled in school districts that are part of
the district:

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(a) A qualified nonprofit, nationally accredited agency for
which all of the following apply:

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(i) The agency is licensed or certified by the departments of
mental health, job and family services, and alcohol and drug
addiction services.

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(ii) The agency is chartered by the department of education.

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(iii) The agency provides school-based counseling for the
provision of substance abuse prevention and intervention and other
behavioral health services.

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(b) A qualified organization licensed by the state that
provides autism services, including special education services for
autistic children.

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(2) The board of directors may levy a tax throughout the
district as provided in section 5705.219 of the Revised Code. The
board of directors shall provide for the creation of a special
fund to hold the proceeds of any tax levied under section 5705.219

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of the Revised Code and any gifts, donations, bequests, or other 82
grants of money coming into the possession of the district. A 83
student special services district is a subdivision, and the board 84
of directors is a governing body, within the meaning of section 85
135.01 of the Revised Code. The board of directors may not issue 86
securities or otherwise incur indebtedness. 87

(3) The adoption or rejection by electors of a tax levy to 88
fund a student special services district pursuant to section 89
5705.219 of the Revised Code does not alter the duty of each 90
school district member of the student special services district to 91
provide special education and related services as required under 92
Chapter 3323. of the Revised Code. On the expiration of a student 93
special services district levy, the state, member school districts 94
of the student special services district, and any other 95
governmental entity shall not be obligated to provide replacement 96
funding for the revenues under the expired levy. The tax levy, in 97
whole or in part, shall not be considered a levy for current 98
operating expenses pursuant to division (A) of section 3317.01 of 99
the Revised Code for any of the school districts that are members 100
of the student special services district. 101

(D)(1) The agreement shall provide for the manner of 102
appointing an individual to perform the duties of fiscal officer 103
of the student special services district. The agreement shall 104
specify the length of time such individual shall perform such 105
duties and whether such individual may be reappointed upon the 106
completion of a term. The fiscal officer shall not receive 107
compensation for performing the duties of the position, but the 108
agreement may provide for the fiscal officer to be reimbursed for 109
reasonable expenses of performing such duties from the student 110
special services district's special fund. 111

(2) The agreement shall provide for the manner of appointing 112
an individual to perform the duties of legal representative for 113

the district. The agreement shall specify the length of time that
the individual appointed as the district's legal representative
shall serve in that capacity and whether such individual may be
reappointed upon the completion of a term. The legal
representative shall prosecute all actions against a member of the
board of directors for malfeasance or misfeasance in office and
shall be the legal representative of the board or the directors in
all civil actions brought by or against them. The legal
representative may not represent the board of directors in any
matter in which the board of directors and a board of education
that is a party to the agreement are adverse parties, or in which
the board of directors and any other board of education
represented by that individual are adverse parties.

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The legal representative shall not receive compensation for
performing the duties of the position, but the agreement may
provide for the legal representative to be reimbursed for
reasonable expenses of performing such duties from the student
special services district's special fund.

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(E) The board of directors of a student special services
district shall procure a policy or policies of insurance insuring
the board, the fiscal officer, and the legal representative
against liability on account of damage or injury to persons and
property. Before procuring such insurance the board shall adopt a
resolution setting forth the amount of insurance to be purchased,
the necessity of the insurance, and a statement of its estimated
premium cost. Insurance procured pursuant to this section shall be
from one or more recognized insurance companies authorized to do
business in this state. The cost of the insurance shall be paid
from the district's special fund.

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A student special services district is a political
subdivision within the meaning of section 2744.01 of the Revised
Code.

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(F)(1) A board of education may join an existing student special services district by adopting a resolution requesting to join as a party to the agreement and upon approval by the boards of education that currently are parties to the agreement. If a tax is levied in the student special services district under section 5705.219 of the Revised Code, a board of education may join the district only after a majority of qualified electors in the school district voting on the question vote in favor of levying the tax throughout the school district. A board of education joining an existing district shall have the same powers, rights, and obligations under the agreement as other boards of education that are parties to the agreement. 146
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(2) A board of education that is a party to an agreement under this section may withdraw the school district from a student special services district by adopting a resolution. The withdrawal shall take effect on the date provided in the resolution. If a tax is levied in the student special services district under section 5705.219 of the Revised Code, the resolution shall take effect not later than the first day of January following adoption of the resolution. Beginning with the first day of January following adoption of the resolution, any tax levied under section 5705.219 of the Revised Code shall not be levied within the territory of the withdrawing school district. Any collection of tax levied in the territory of the withdrawing school district under that section that has not been settled and distributed when the resolution takes effect shall be divided, when collection is made and settled, among the school districts that remain a part of the student special services district in proportion to the taxable valuation of taxable property in those districts, and credited to their respective general funds. 158
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(G) An agreement entered into under this section shall provide for the manner of the student special services district's 176
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dissolution. The district shall cease to exist when not more than 178
one school district remains in the district, and the levy of any 179
tax under section 5705.219 of the Revised Code shall not be 180
extended on the tax lists in any tax year beginning after the 181
dissolution of the district. The agreement shall provide that, 182
upon dissolution of the district, any unexpended balance in the 183
district's special fund shall be divided among the school 184
districts that are parties to the agreement immediately before 185
dissolution in proportion to the taxable valuation of taxable 186
property in the districts, and credited to their respective 187
general funds. 188

Sec. 5705.01. As used in this chapter: 189

(A) "Subdivision" means any county; municipal corporation; 190
township; township police district; township fire district; joint 191
fire district; joint ambulance district; joint emergency medical 192
services district; fire and ambulance district; joint recreation 193
district; township waste disposal district; township road 194
district; community college district; technical college district; 195
detention facility district; a district organized under section 196
2151.65 of the Revised Code; a combined district organized under 197
sections 2152.41 and 2151.65 of the Revised Code; a joint-county 198
alcohol, drug addiction, and mental health service district; a 199
drainage improvement district created under section 6131.52 of the 200
Revised Code; a union cemetery district; a county school financing 201
district; ~~or~~ a city, local, exempted village, cooperative 202
education, or joint vocational school district; or a student 203
special services district created under section 3313.82 of the 204
Revised Code. 205

(B) "Municipal corporation" means all municipal corporations, 206
including those that have adopted a charter under Article XVIII, 207
Ohio Constitution. 208

(C) "Taxing authority" or "bond issuing authority" means, in 209
the case of any county, the board of county commissioners; in the 210
case of a municipal corporation, the council or other legislative 211
authority of the municipal corporation; in the case of a city, 212
local, exempted village, cooperative education, or joint 213
vocational school district, the board of education; in the case of 214
a community college district, the board of trustees of the 215
district; in the case of a technical college district, the board 216
of trustees of the district; in the case of a detention facility 217
district, a district organized under section 2151.65 of the 218
Revised Code, or a combined district organized under sections 219
2152.41 and 2151.65 of the Revised Code, the joint board of county 220
commissioners of the district; in the case of a township, the 221
board of township trustees; in the case of a joint fire district, 222
the board of fire district trustees; in the case of a joint 223
recreation district, the joint recreation district board of 224
trustees; in the case of a joint-county alcohol, drug addiction, 225
and mental health service district, the district's board of 226
alcohol, drug addiction, and mental health services; in the case 227
of a joint ambulance district or a fire and ambulance district, 228
the board of trustees of the district; in the case of a union 229
cemetery district, the legislative authority of the municipal 230
corporation and the board of township trustees, acting jointly as 231
described in section 759.341 of the Revised Code; in the case of a 232
drainage improvement district, the board of county commissioners 233
of the county in which the drainage district is located; in the 234
case of a joint emergency medical services district, the joint 235
board of county commissioners of all counties in which all or any 236
part of the district lies; and in the case of a township police 237
district, a township fire district, a township road district, or a 238
township waste disposal district, the board of township trustees 239
of the township in which the district is located. "Taxing 240
authority" also means the educational service center governing 241

board that serves as the taxing authority of a county school 242
financing district as provided in section 3311.50 of the Revised 243
Code, and the board of directors of a student special services 244
district created under section 3313.82 of the Revised Code. 245

(D) "Fiscal officer" in the case of a county, means the 246
county auditor; in the case of a municipal corporation, the city 247
auditor or village clerk, or an officer who, by virtue of the 248
charter, has the duties and functions of the city auditor or 249
village clerk, except that in the case of a municipal university 250
the board of directors of which have assumed, in the manner 251
provided by law, the custody and control of the funds of the 252
university, the chief accounting officer of the university shall 253
perform, with respect to the funds, the duties vested in the 254
fiscal officer of the subdivision by sections 5705.41 and 5705.44 255
of the Revised Code; in the case of a school district, the 256
treasurer of the board of education; in the case of a county 257
school financing district, the treasurer of the educational 258
service center governing board that serves as the taxing 259
authority; in the case of a township, the township fiscal officer; 260
in the case of a joint fire district, the clerk of the board of 261
fire district trustees; in the case of a joint ambulance district, 262
the clerk of the board of trustees of the district; in the case of 263
a joint emergency medical services district, the person appointed 264
as fiscal officer pursuant to division (D) of section 307.053 of 265
the Revised Code; in the case of a fire and ambulance district, 266
the person appointed as fiscal officer pursuant to division (B) of 267
section 505.375 of the Revised Code; in the case of a joint 268
recreation district, the person designated pursuant to section 269
755.15 of the Revised Code; in the case of a union cemetery 270
district, the clerk of the municipal corporation designated in 271
section 759.34 of the Revised Code; in the case of a children's 272
home district, educational service center, general health 273

district, joint-county alcohol, drug addiction, and mental health 274
service district, county library district, detention facility 275
district, district organized under section 2151.65 of the Revised 276
Code, a combined district organized under sections 2152.41 and 277
2151.65 of the Revised Code, or a metropolitan park district for 278
which no treasurer has been appointed pursuant to section 1545.07 279
of the Revised Code, the county auditor of the county designated 280
by law to act as the auditor of the district; in the case of a 281
metropolitan park district which has appointed a treasurer 282
pursuant to section 1545.07 of the Revised Code, that treasurer; 283
in the case of a drainage improvement district, the auditor of the 284
county in which the drainage improvement district is located; in 285
the case of a student special services district, the fiscal 286
officer appointed pursuant to division (D)(1) of section 3313.82 287
of the Revised Code; and in all other cases, the officer 288
responsible for keeping the appropriation accounts and drawing 289
warrants for the expenditure of the moneys of the district or 290
taxing unit. 291

(E) "Permanent improvement" or "improvement" means any 292
property, asset, or improvement with an estimated life or 293
usefulness of five years or more, including land and interests 294
therein, and reconstructions, enlargements, and extensions thereof 295
having an estimated life or usefulness of five years or more. 296

(F) "Current operating expenses" and "current expenses" mean 297
the lawful expenditures of a subdivision, except those for 298
permanent improvements, and except payments for interest, sinking 299
fund, and retirement of bonds, notes, and certificates of 300
indebtedness of the subdivision. 301

(G) "Debt charges" means interest, sinking fund, and 302
retirement charges on bonds, notes, or certificates of 303
indebtedness. 304

(H) "Taxing unit" means any subdivision or other governmental district having authority to levy taxes on the property in the district or issue bonds that constitute a charge against the property of the district, including conservancy districts, metropolitan park districts, sanitary districts, road districts, and other districts.

(I) "District authority" means any board of directors, trustees, commissioners, or other officers controlling a district institution or activity that derives its income or funds from two or more subdivisions, such as the educational service center, the trustees of district children's homes, the district board of health, a joint-county alcohol, drug addiction, and mental health service district's board of alcohol, drug addiction, and mental health services, detention facility districts, a joint recreation district board of trustees, districts organized under section 2151.65 of the Revised Code, combined districts organized under sections 2152.41 and 2151.65 of the Revised Code, and other such boards.

(J) "Tax list" and "tax duplicate" mean the general tax lists and duplicates prescribed by sections 319.28 and 319.29 of the Revised Code.

(K) "Property" as applied to a tax levy means taxable property listed on general tax lists and duplicates.

(L) "School library district" means a school district in which a free public library has been established that is under the control and management of a board of library trustees as provided in section 3375.15 of the Revised Code.

Sec. 5705.219. (A) If the board of directors of a student special services district created under section 3313.82 of the Revised Code desires to levy a tax in excess of the ten-mill

limitation throughout the district for the purpose of funding the
services to be provided by the district to students enrolled in
the school districts of which the district is composed, the board
shall propose the levy to each of the boards of education of those
school districts. The proposal shall specify the rate or amount of
the tax, the number of years the tax will be levied, and that the
aggregate rate of the tax shall not exceed three mills per dollar
of taxable value in the student special services district.

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(B)(1) If a majority of the boards of education of the school
districts of which the student special services district is
composed approves the proposal for the tax levy, the board of
directors of the student special services district may adopt a
resolution approved by a majority of the board's full membership
declaring the necessity of levying the proposed tax in excess of
the ten-mill limitation throughout the district for the purpose of
funding the services to be provided by the district to students
enrolled in the school districts of which the district is
composed. The resolution shall provide for the question of the tax
to be submitted to the electors of the district at a general,
primary, or special election on a day to be specified in the
resolution that is consistent with the requirements of section
3501.01 of the Revised Code and that occurs at least seventy-five
days after the resolution is certified to the board of elections.
The resolution shall specify the rate or amount of the tax and the
number of years the tax will be levied. The aggregate rate of tax
levied by a student special services district under this section
at any time shall not exceed three mills per dollar of taxable
value in the district. A tax levied under this section may be
renewed, subject to section 5705.25 of the Revised Code, or
replaced as provided in section 5705.194 of the Revised Code.

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(2) The resolution shall take effect immediately upon

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passage, and no publication of the resolution is necessary other 366
than that provided in the notice of election. The resolution shall 367
be certified and submitted in the manner provided under section 368
5705.25 of the Revised Code, and that section governs the 369
arrangements governing submission of the question and other 370
matters concerning the election. 371

Sec. 5705.25. (A) A copy of any resolution adopted as 372
provided in section 5705.19 or 5705.219 of the Revised Code shall 373
be certified by the taxing authority to the board of elections of 374
the proper county not less than seventy-five days before the 375
general election in any year, and the board shall submit the 376
proposal to the electors of the subdivision at the succeeding 377
November election. Except as otherwise provided in this division, 378
a resolution to renew an existing levy, regardless of the section 379
of the Revised Code under which the tax was imposed, shall not be 380
placed on the ballot unless the question is submitted at the 381
general election held during the last year the tax to be renewed 382
or replaced may be extended on the real and public utility 383
property tax list and duplicate, or at any election held in the 384
ensuing year. The limitation of the foregoing sentence does not 385
apply to a resolution to renew and increase or to renew part of an 386
existing levy that was imposed under section 5705.191 of the 387
Revised Code to supplement the general fund for the purpose of 388
making appropriations for one or more of the following purposes: 389
for public assistance, human or social services, relief, welfare, 390
hospitalization, health, and support of general hospitals. The 391
limitation of the second preceding sentence also does not apply to 392
a resolution that proposes to renew two or more existing levies 393
imposed under section 5705.21 of the Revised Code, in which case 394
the question shall be submitted on the date of the general or 395
primary election held during the last year at least one of the 396
levies to be renewed may be extended on the real and public 397

utility property tax list and duplicate, or at any election held 398
during the ensuing year. For purposes of this section, a levy 399
shall be considered to be an "existing levy" through the year 400
following the last year it can be placed on that tax list and 401
duplicate. 402

The board shall make the necessary arrangements for the 403
submission of such questions to the electors of such subdivision, 404
and the election shall be conducted, canvassed, and certified in 405
the same manner as regular elections in such subdivision for the 406
election of county officers. Notice of the election shall be 407
published in a newspaper of general circulation in the subdivision 408
once a week for two consecutive weeks prior to the election, and, 409
if the board of elections operates and maintains a web site, the 410
board of elections shall post notice of the election on its web 411
site for thirty days prior to the election. The notice shall state 412
the purpose, the proposed increase in rate expressed in dollars 413
and cents for each one hundred dollars of valuation as well as in 414
mills for each one dollar of valuation, the number of years during 415
which the increase will be in effect, the first month and year in 416
which the tax will be levied, and the time and place of the 417
election. 418

(B) The form of the ballots cast at an election held pursuant 419
to division (A) of this section shall be as follows: 420

"An additional tax for the benefit of (name of subdivision or 421
public library) for the purpose of (purpose stated in 422
the resolution) at a rate not exceeding mills 423
for each one dollar of valuation, which amounts to (rate expressed 424
in dollars and cents) for each one hundred dollars of 425
valuation, for (life of indebtedness or number of years the 426
levy is to run). 427

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	For the Tax Levy
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	Against the Tax Levy	"
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(C) If the levy is to be in effect for a continuing period of 432
time, the notice of election and the form of ballot shall so state 433
instead of setting forth a specified number of years for the levy. 434

If the tax is to be placed on the current tax list, the form 435
of the ballot shall be modified by adding, after the statement of 436
the number of years the levy is to run, the phrase ", commencing 437
in (first year the tax is to be levied), first due in 438
calendar year (first calendar year in which the tax 439
shall be due)." 440

If the levy submitted is a proposal to renew, increase, or 441
decrease an existing levy, the form of the ballot specified in 442
division (B) of this section may be changed by substituting for 443
the words "An additional" at the beginning of the form, the words 444
"A renewal of a" in case of a proposal to renew an existing levy 445
in the same amount; the words "A renewal of mills and an 446
increase of mills to constitute a" in the case of an 447
increase; or the words "A renewal of part of an existing levy, 448
being a reduction of mills, to constitute a" in the case of 449
a decrease in the proposed levy. 450

If the levy submitted is a proposal to renew two or more 451
existing levies imposed under section 5705.21 of the Revised Code, 452
the form of the ballot specified in division (B) of this section 453
shall be modified by substituting for the words "an additional 454
tax" the words "a renewal of(insert the number of levies to 455
be renewed) existing taxes." 456

The question covered by such resolution shall be submitted as 457
a separate proposition but may be printed on the same ballot with 458
any other proposition submitted at the same election, other than 459
the election of officers. More than one such question may be 460

submitted at the same election.

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(D) A levy voted in excess of the ten-mill limitation under
this section shall be certified to the tax commissioner. In the
first year of the levy, it shall be extended on the tax lists
after the February settlement succeeding the election. If the
additional tax is to be placed upon the tax list of the current
year, as specified in the resolution providing for its submission,
the result of the election shall be certified immediately after
the canvass by the board of elections to the taxing authority, who
shall make the necessary levy and certify it to the county
auditor, who shall extend it on the tax lists for collection.
After the first year, the tax levy shall be included in the annual
tax budget that is certified to the county budget commission.

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Section 2. That existing sections 5705.01 and 5705.25 of the
Revised Code are hereby repealed.

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