

As Passed by the House

**127th General Assembly
Regular Session
2007-2008**

Am. H. B. No. 458

Representative Uecker

**Cosponsors: Representatives Evans, McGregor, J., Huffman, Harwood,
Wagner, Bacon, Batchelder, Chandler, Combs, Daniels, Domenick, Dyer,
Flowers, Gerberry, Gibbs, Goyal, Hagan, J., Hughes, Letson, Newcomb,
Sayre, Schindel, Schlichter, Setzer, Zehringer**

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A B I L L

To amend sections 505.60, 505.601, 5705.05, and 1
5705.06 of the Revised Code to authorize the 2
taxing authority of a subdivision to use money 3
derived from the general levy for current expenses 4
for road and bridge construction and repair, and 5
to make clarifying changes to the laws authorizing 6
a township to provide health care insurance. 7

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

Section 1. That sections 505.60, 505.601, 5705.05, and 8
5705.06 of the Revised Code be amended to read as follows: 9

Sec. 505.60. (A) As provided in this section and section 10
505.601 of the Revised Code, the board of township trustees of any 11
township may procure and pay all or any part of the cost of 12
insurance policies that may provide benefits for hospitalization, 13
surgical care, major medical care, disability, dental care, eye 14
care, medical care, hearing aids, prescription drugs, or sickness 15
and accident insurance, or a combination of any of the foregoing 16

types of insurance for township officers and employees. The board 17
of township trustees of any township may negotiate and contract 18
for the purchase of a policy of long-term care insurance for 19
township officers and employees pursuant to section 124.841 of the 20
Revised Code. 21

~~(B)~~ If the board procures any insurance policies under this 22
section, the board shall provide uniform coverage under these 23
policies for township officers and full-time township employees 24
and their immediate dependents, and may provide coverage under 25
these policies for part-time township employees and their 26
immediate dependents, from the funds or budgets from which the 27
officers or employees are compensated for services, such policies 28
to be issued by an insurance company duly authorized to do 29
business in this state. ~~Any township officer or employee may~~ 30
~~refuse to accept the insurance coverage without affecting the~~ 31
~~availability of such insurance coverage to other township officers~~ 32
~~and employees.~~ 33

(B) The board may also provide coverage for any or all of the 34
benefits described in division (A) of this section by entering 35
into a contract for group health care services with health 36
insuring corporations holding certificates of authority under 37
Chapter 1751. of the Revised Code for township officers and 38
employees and their immediate dependents. If the board so 39
contracts, it shall provide uniform coverage under any such 40
contracts for township officers and full-time township employees 41
and their immediate dependents, from the funds or budgets from 42
which the officers or employees are compensated for services, and 43
may provide coverage under such contracts for part-time township 44
employees and their immediate dependents, from the funds or 45
budgets from which the officers or employees are compensated for 46
services, provided that each officer and employee so covered is 47
permitted to: 48

(1) Choose between a plan offered by an insurance company and 49
a plan offered by a health insuring corporation, and provided 50
further that the officer or employee pays any amount by which the 51
cost of the plan chosen exceeds the cost of the plan offered by 52
the board under this section; 53

(2) Change the choice made under this division ~~(B) of this~~ 54
~~section~~ at a time each year as determined in advance by the board. 55

An addition of a class or change of definition of coverage to 56
the plan offered under this division by the board may be made at 57
any time that it is determined by the board to be in the best 58
interest of the township. If the total cost to the township of the 59
revised plan for any trustee's coverage does not exceed that cost 60
under the plan in effect during the prior policy year, the 61
revision of the plan does not cause an increase in that trustee's 62
compensation. 63

(C) Any township officer or employee may refuse to accept any 64
coverage authorized by this section without affecting the 65
availability of such coverage to other township officers and 66
employees. 67

(D) If any township officer or employee is denied coverage 68
under a health care plan procured under ~~division (B) of this~~ 69
section or if any township officer or employee elects not to 70
participate in the township's health care plan, the township may 71
reimburse the officer or employee for each out-of-pocket premium 72
~~that~~ attributable to the coverage provided for the officer or 73
employee ~~incurs~~ for insurance ~~policies~~ benefits described in 74
division (A) of this section that the officer or employee 75
otherwise obtains, but not to exceed an amount equal to the 76
average premium paid by the township for its officers and 77
employees under ~~policies~~ any health care plan it procures under 78
~~division (B) of this section.~~ 79

~~(D)~~(E) The board may provide the benefits authorized under 80
this section, without competitive bidding, by contributing to a 81
health and welfare trust fund administered through or in 82
conjunction with a collective bargaining representative of the 83
township employees. 84

The board may also provide the benefits described in this 85
section through an individual self-insurance program or a joint 86
self-insurance program as provided in section 9.833 of the Revised 87
Code. 88

~~(E)~~(F) If a board of township trustees fails to pay one or 89
more premiums for a policy, contract, or plan of insurance or 90
health care services authorized ~~by division (A) or (B) of~~ under 91
this section and the failure causes a lapse, cancellation, or 92
other termination of coverage under the policy, contract, or plan, 93
it may reimburse a township officer or employee for, or pay on 94
behalf of the officer or employee, any expenses incurred that 95
would have been covered under the policy, contract, or plan. 96

~~(F)~~(G) As used in this section and section 505.601 of the 97
Revised Code: 98

(1) "Part-time township employee" means a township employee 99
who is hired with the expectation that the employee will work not 100
more than one thousand five hundred hours in any year. 101

(2) "Premium" does not include any deductible or health care 102
costs paid directly by a township officer or employee. 103

Sec. 505.601. If a board of township trustees does not 104
procure an insurance policy or group health care services as 105
provided in section 505.60 of the Revised Code, the board of 106
township trustees may reimburse any township officer or employee 107
for each out-of-pocket premium attributable to the coverage 108
provided for that ~~the~~ officer or employee ~~incurs~~ for insurance 109

~~policies~~ benefits described in division (A) of section 505.60 of 110
the Revised Code that the officer or employee otherwise obtains, 111
if all of the following conditions are met: 112

(A) The board of township trustees adopts a resolution that 113
states that the township has chosen not to procure a health care 114
plan under section 505.60 of the Revised Code and has chosen 115
instead to reimburse its officers and employees for each 116
out-of-pocket premium ~~that they incur~~ attributable to the coverage 117
provided for them for insurance ~~policies~~ benefits described in 118
division (A) of section 505.60 of the Revised Code that they 119
otherwise obtain. 120

(B) That resolution provides for a uniform maximum monthly or 121
yearly payment amount for each officer or employee to cover 122
themselves and their immediate dependents, beyond which the 123
township will not reimburse the officer or employee. 124

(C) That resolution states the specific benefits listed in 125
division (A) of section 505.60 of the Revised Code for which the 126
township will reimburse all officers and employees of the 127
township. The township may not reimburse officers and employees 128
for benefits other than those listed in division (A) of section 129
505.60 of the Revised Code. 130

Sec. 5705.05. The purpose and intent of the general levy for 131
current expenses is to provide one general operating fund derived 132
from taxation from which any expenditures for current expenses of 133
any kind may be made, and the taxing authority of a political 134
subdivision may include in such levy the amounts required for 135
carrying into effect any of the general or special powers granted 136
by law to such subdivision, including the acquisition or 137
construction of permanent improvements and the payment of 138
judgments, but excluding ~~the construction, reconstruction,~~ 139
~~resurfacing, or repair of roads and bridges in counties and~~ 140

~~townships~~ and the payment of debt charges. The power to include in 141
the general levy for current expenses additional amounts for 142
purposes for which a special tax is authorized shall not affect 143
the right or obligation to levy such special tax. Without 144
prejudice to the generality of the authority to levy a general tax 145
for any current expense, such general levy shall include: 146

(A) The amounts certified to be necessary for the payment of 147
final judgments; 148

(B) The amounts necessary for general, special, and primary 149
elections; 150

(C) The amounts necessary for boards and commissioners of 151
health, and other special or district appropriating authorities 152
deriving their revenue in whole or part from the subdivision; 153

(D) In the case of municipal corporations, the amounts 154
necessary for the maintenance, operation, and repair of public 155
buildings, wharves, bridges, parks, and streets, for the 156
prevention, control, and abatement of air pollution, and for a 157
sanitary fund; 158

(E) In the case of counties, the amounts necessary for the 159
maintenance, operation, and repair of public buildings, for 160
providing or maintaining senior citizens services or facilities, 161
for the relief and support of the poor, for the relief of needy 162
blind, for the support of mental health, mental retardation, or 163
developmental disability services, for the relief of honorably 164
discharged soldiers, indigent soldiers, sailors, and marines, for 165
mothers' pension fund, support of soil and water conservation 166
districts, watershed conservancy districts, and educational 167
television, for the prevention, control, and abatement of air 168
pollution, and for the county's share of the compensation paid 169
judges; 170

(F) In the case of a school district, the amounts necessary 171

for tuition, the state teachers retirement system, and the 172
maintenance, operation, and repair of schools; 173

(G) In the case of a township, the amounts necessary for the 174
relief of the poor and for the prevention, control, and abatement 175
of air pollution. This section does not require the inclusion 176
within the general levy of amounts for any purpose for which a 177
special levy is authorized by section 5705.06 of the Revised Code. 178

Sec. 5705.06. The following special levies are hereby 179
authorized without vote of the people: 180

(A) A levy for any specific permanent improvement which the 181
subdivision is authorized by law to acquire, construct, or 182
improve, or any class of such improvements which could be included 183
in a single bond issue; 184

(B) A levy for the library purposes of the subdivision, in 185
accordance with the provisions of the Revised Code authorizing 186
levies for such purposes, but only to the extent so authorized; 187

(C) In the case of a municipal corporation, a levy for a 188
municipal university under section 3349.13 of the Revised Code, 189
but only to the extent authorized; 190

(D) In the case of a county, a levy for the construction, 191
reconstruction, resurfacing, and repair of roads and bridges, 192
other than state roads and bridges; 193

(E) In the case of a county, a levy for paying the county's 194
proportion of the cost of the construction, improvement, and 195
maintenance of state highways; 196

(F) In the case of a township, a levy for the construction, 197
reconstruction, resurfacing, and repair of roads and bridges, 198
excluding state roads and bridges, including the township's 199
portion of the cost of the construction, improvement, maintenance, 200
and repair of county roads and bridges; 201

(G) The levies prescribed by division (B) of sections 742.33 202
and 742.34 of the Revised Code. 203

Each such special levy shall be within the ten-mill 204
limitation and shall be subject to the control of the county 205
budget commission, as provided by sections 5705.01 to 5705.47 of 206
the Revised Code. 207

Except for the special levies authorized in divisions (A), 208
(B), (C), and (G) of this section, any authority granted by the 209
Revised Code to levy a special tax within the ten-mill limitation 210
for a current expense shall be construed as authority to provide 211
for such expense by the general levy for current expenses. 212

Section 2. That existing sections 505.60, 505.601, 5705.05, 213
and 5705.06 of the Revised Code are hereby repealed. 214

Section 3. No board of trustees shall be required to repay 215
funds identified in a finding for recovery made by the Auditor of 216
State as the result of such board of trustees having elected to 217
provide township trustee or township employee health care coverage 218
in violation of sections 505.60 and 505.601 of the Revised Code as 219
they existed prior to amendment by H.B. 458 of the 127th General 220
Assembly. The county prosecuting attorney and Attorney General are 221
under no obligation, and shall not act upon the Auditor of State's 222
finding of recovery. Any such finding for recovery shall be 223
considered resolved for the purposes of section 9.24 of the 224
Revised Code. 225