

**As Passed by the Senate**

**127th General Assembly**

**Regular Session**

**2007-2008**

**Sub. S. B. No. 185**

**Senator Schuler**

**Cosponsors: Senators Kearney, Cates, Grendell, Seitz, Carey, Gardner,  
Harris, Sawyer, Wilson, Fedor, Morano, Spada, Bocchieri**

—

**A B I L L**

To amend sections 127.14, 131.18, 131.44, 131.51, 1  
133.10, 135.35, 135.352, 149.411, 321.08, 3375.05, 2  
3375.121, 3375.32, 3375.35, 3375.36, 3375.37, 3  
3375.38, 3375.39, 3375.40, 3375.404, 3375.41, 4  
3375.42, 3375.85, 3375.91, 3375.92, 5705.28, 5  
5705.281, 5705.31, 5705.32, 5705.321, 5705.37, 6  
5715.36, 5719.041, 5747.03, 5747.46, 5747.47, 7  
5747.48, 5747.51, and 5747.52 and to enact 8  
sections 3375.351, 3375.64, 3375.65, 3375.66, and 9  
3375.67 of the Revised Code and to amend Section 10  
323.10 of H.B. 119 of the 127th General Assembly 11  
to revise certain laws governing public libraries, 12  
to change the name of the Library and Local 13  
Government Support Fund, and to codify the 14  
creation of the Ohio Public Library Information 15  
Network. 16

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

**Section 1.** That sections 127.14, 131.18, 131.44, 131.51, 17  
133.10, 135.35, 135.352, 149.411, 321.08, 3375.05, 3375.121, 18  
3375.32, 3375.35, 3375.36, 3375.37, 3375.38, 3375.39, 3375.40, 19

3375.404, 3375.41, 3375.42, 3375.85, 3375.91, 3375.92, 5705.28, 20  
5705.281, 5705.31, 5705.32, 5705.321, 5705.37, 5715.36, 5719.041, 21  
5747.03, 5747.46, 5747.47, 5747.48, 5747.51, and 5747.52 be 22  
amended and sections 3375.351, 3375.64, 3375.65, 3375.66, and 23  
3375.67 of the Revised Code be enacted to read as follows: 24

**Sec. 127.14.** The controlling board may, at the request of any 25  
state agency or the director of budget and management, authorize, 26  
with respect to the provisions of any appropriation act: 27

(A) Transfers of all or part of an appropriation within but 29  
not between state agencies, except such transfers as the director 30  
of budget and management is authorized by law to make, provided 31  
that no transfer shall be made by the director for the purpose of 32  
effecting new or changed levels of program service not authorized 33  
by the general assembly; 34

(B) Transfers of all or part of an appropriation from one 35  
fiscal year to another; 36

(C) Transfers of all or part of an appropriation within or 37  
between state agencies made necessary by administrative 38  
reorganization or by the abolition of an agency or part of an 39  
agency; 40

(D) Transfers of all or part of cash balances in excess of 41  
needs from any fund of the state to the general revenue fund or to 42  
such other fund of the state to which the money would have been 43  
credited in the absence of the fund from which the transfers are 44  
authorized to be made, except that the controlling board may not 45  
authorize such transfers from the accrued leave liability fund, 46  
auto registration distribution fund, budget stabilization fund, 47  
development bond retirement fund, facilities establishment fund, 48  
gasoline excise tax fund, general revenue fund, higher education 49  
improvement fund, highway improvement bond retirement fund, 50

highway obligations bond retirement fund, highway capital	51
improvement fund, highway operating fund, horse racing tax fund,	52
improvements bond retirement fund, <u>public</u> library <del>and local</del>	53
<del>government support</del> fund, liquor control fund, local government	54
fund, local transportation improvement program fund, mental health	55
facilities improvement fund, Ohio fairs fund, parks and recreation	56
improvement fund, public improvements bond retirement fund, school	57
district income tax fund, state agency facilities improvement	58
fund, state and local government highway distribution fund, state	59
highway safety fund, state lottery fund, undivided liquor permit	60
fund, Vietnam conflict compensation bond retirement fund,	61
volunteer fire fighters' dependents fund, waterways safety fund,	62
wildlife fund, workers' compensation fund, or any fund not	63
specified in this division that the director of budget and	64
management determines to be a bond fund or bond retirement fund;	65
(E) Transfers of all or part of those appropriations included	66
in the emergency purposes account of the controlling board;	67
(F) Temporary transfers of all or part of an appropriation or	68
other moneys into and between existing funds, or new funds, as may	69
be established by law when needed for capital outlays for which	70
notes or bonds will be issued;	71
(G) Transfer or release of all or part of an appropriation to	72
a state agency requiring controlling board approval of such	73
transfer or release as provided by law;	74
(H) Temporary transfer of funds included in the emergency	75
purposes appropriation of the controlling board. Such temporary	76
transfers may be made subject to conditions specified by the	77
controlling board at the time temporary transfers are authorized.	78
No transfers shall be made under this division for the purpose of	79
effecting new or changed levels of program service not authorized	80
by the general assembly.	81

As used in this section, "request" means an application by a state agency or the director of budget and management seeking some action by the controlling board.

When authorizing the transfer of all or part of an appropriation under this section, the controlling board may authorize the transfer to an existing appropriation item and the creation of and transfer to a new appropriation item.

Whenever there is a transfer of all or part of funds included in the emergency purposes appropriation by the controlling board, pursuant to division (E) of this section, the state agency or the director of budget and management receiving such transfer shall keep a detailed record of the use of the transferred funds. At the earliest scheduled meeting of the controlling board following the accomplishment of the purposes specified in the request originally seeking the transfer, or following the total expenditure of the transferred funds for the specified purposes, the state agency or the director of budget and management shall submit a report on the expenditure of such funds to the board. The portion of any appropriation so transferred which is not required to accomplish the purposes designated in the original request to the controlling board shall be returned to the proper appropriation of the controlling board at this time.

Notwithstanding any provisions of law providing for the deposit of revenues received by a state agency to the credit of a particular fund in the state treasury, whenever there is a temporary transfer of funds included in the emergency purposes appropriation of the controlling board pursuant to division (H) of this section, revenues received by any state agency receiving such a temporary transfer of funds shall, as directed by the controlling board, be transferred back to the emergency purposes appropriation.

The board may delegate to the director of budget and

management authority to approve transfers among items of 114  
appropriation under division (A) of this section. 115

**Sec. 131.18.** When a loss of public funds, entrusted to a 116  
county or municipal corporation treasurer or to a clerk of the 117  
court of common pleas, clerk of the court of appeals, clerk of the 118  
municipal court, clerk of the county court, judge of the probate 119  
court as clerk of such court, judge of the juvenile court as clerk 120  
of such court, or to a township or school district treasurer, or a 121  
~~clerk~~ fiscal officer of the board of trustees of a public library 122  
by virtue of ~~his~~ the treasurer's, clerk's, judge's, or fiscal 123  
officer's office, results from fire, robbery, burglary, flood, or 124  
inability of a bank to refund public money lawfully in its 125  
possession belonging to such public funds, the board of county 126  
commissioners, board of township trustees, the legislative 127  
authority of the municipal corporation, the board of education, or 128  
the board of library trustees, respectively, may release and 129  
discharge such treasurer, clerk, ~~or~~ judge, or fiscal officer from 130  
all personal liability to or demands of such county, township, 131  
municipal corporation, school district, or public library, for the 132  
loss so created unless the loss resulted from ~~his~~ the treasurer's, 133  
clerk's, judge's, or fiscal officer's negligence or other wrongful 134  
act. 135

**Sec. 131.44.** (A) As used in this section: 136

(1) "Surplus revenue" means the excess, if any, of the total 137  
fund balance over the required year-end balance. 138

(2) "Total fund balance" means the sum of the unencumbered 139  
balance in the general revenue fund on the last day of the 140  
preceding fiscal year plus the balance in the budget stabilization 141  
fund. 142

(3) "Required year-end balance" means the sum of the 143

following:	144
(a) Five per cent of the general revenue fund revenues for the preceding fiscal year;	145 146
(b) "Ending fund balance," which means one-half of one per cent of general revenue fund revenues for the preceding fiscal year;	147 148 149
(c) "Carryover balance," which means, with respect to a fiscal biennium, the excess, if any, of the estimated general revenue fund appropriation and transfer requirement for the second fiscal year of the biennium over the estimated general revenue fund revenue for that fiscal year;	150 151 152 153 154
(d) "Capital appropriation reserve," which means the amount, if any, of general revenue fund capital appropriations made for the current biennium that the director of budget and management has determined will be encumbered or disbursed;	155 156 157 158
(e) "Income tax reduction impact reserve," which means an amount equal to the reduction projected by the director of budget and management in income tax revenue in the current fiscal year attributable to the previous reduction in the income tax rate made by the tax commissioner pursuant to division (B) of section 5747.02 of the Revised Code.	159 160 161 162 163 164
(4) "Estimated general revenue fund appropriation and transfer requirement" means the most recent adjusted appropriations made by the general assembly from the general revenue fund and includes both of the following:	165 166 167 168
(a) Appropriations made and transfers of appropriations from the first fiscal year to the second fiscal year of the biennium in provisions of acts of the general assembly signed by the governor but not yet effective;	169 170 171 172
(b) Transfers of appropriation from the first fiscal year to	173

the second fiscal year of the biennium approved by the controlling board. 174  
175

(5) "Estimated general revenue fund revenue" means the most recent such estimate available to the director of budget and management. 176  
177  
178

(B)(1) Not later than the thirty-first day of July each year, the director of budget and management shall determine the surplus revenue that existed on the preceding thirtieth day of June and transfer from the general revenue fund, to the extent of the unobligated, unencumbered balance on the preceding thirtieth day of June in excess of one-half of one per cent of the general revenue fund revenues in the preceding fiscal year, the following: 179  
180  
181  
182  
183  
184  
185

(a) First, to the budget stabilization fund, any amount necessary for the balance of the budget stabilization fund to equal five per cent of the general revenue fund revenues of the preceding fiscal year; 186  
187  
188  
189

(b) Then, to the income tax reduction fund, which is hereby created in the state treasury, an amount equal to the surplus revenue. 190  
191  
192

(2) Not later than the thirty-first day of July each year, the director shall determine the percentage that the balance in the income tax reduction fund is of the amount of revenue that the director estimates will be received from the tax levied under section 5747.02 of the Revised Code in the current fiscal year without regard to any reduction under division (B) of that section. If that percentage exceeds thirty-five one hundredths of one per cent, the director shall certify the percentage to the tax commissioner not later than the thirty-first day of July. 193  
194  
195  
196  
197  
198  
199  
200  
201

(C) The director of budget and management shall transfer money in the income tax reduction fund to the general revenue fund, the local government fund, and the public library ~~and local~~ 202  
203  
204

~~government support~~ fund as necessary to offset revenue reductions 205  
resulting from the reductions in taxes required under division (B) 206  
of section 5747.02 of the Revised Code in the respective amounts 207  
and percentages prescribed by division (A) of section 5747.03 and 208  
divisions (A) and (B) of section 131.51 of the Revised Code as if 209  
the amount transferred had been collected as taxes under Chapter 210  
5747. of the Revised Code. If no reductions in taxes are made 211  
under that division that affect revenue received in the current 212  
fiscal year, the director shall not transfer money from the income 213  
tax reduction fund to the general revenue fund, the local 214  
government fund, and the public library ~~and local government~~ 215  
~~support~~ fund. 216

**Sec. 131.51.** (A) Beginning January 2008, on or before the 217  
fifth day of each month, the director of budget and management 218  
shall credit to the local government fund three and sixty-eight 219  
one hundredths per cent of total tax revenue credited to the 220  
general revenue fund during the preceding month. In determining 221  
the total tax revenue credited to the general revenue fund during 222  
the preceding month, the director shall include amounts 223  
transferred from that fund during the preceding month pursuant to 224  
divisions (A) and (B) of this section. Money shall be distributed 225  
from the local government fund as required under section 5747.50 226  
of the Revised Code during the same month in which it is credited 227  
to the fund. 228

(B) Beginning January 2008, on or before the fifth day of 229  
each month, the director of budget and management shall credit to 230  
the public library ~~and local government support~~ fund, two and 231  
twenty-two one hundredths per cent of the total tax revenue 232  
credited to the general revenue fund during the preceding month. 233  
In determining the total tax revenue credited to the general 234  
revenue fund during the preceding month, the director shall 235  
include amounts transferred from that fund during the preceding 236



month pursuant to divisions (A) and (B) of this section. Money 237  
shall be distributed from the public library ~~and local government~~ 238  
~~support~~ fund as required under section 5747.47 of the Revised Code 239  
during the same month in which it is credited to the fund. 240

(C) The director of budget and management shall develop a 241  
schedule identifying the specific tax revenue sources to be used 242  
to make the monthly transfers required under divisions (A) and (B) 243  
of this section. The director may, from time to time, revise the 244  
schedule as the director considers necessary. 245

**Sec. 133.10.** (A) In anticipation of the collection of current 246  
property tax revenues in and for any fiscal year, the taxing 247  
authority of any subdivision may issue securities, but the 248  
aggregate principal amount of such securities shall not exceed 249  
one-half of the amount that the budget commission estimates the 250  
subdivision will receive from property taxes in that fiscal year 251  
and prior to the last day of the sixth month following the month 252  
in which the securities are issued, other than taxes to be 253  
received for the payment of debt charges or allocated to debt 254  
charges on securities issued pursuant to division (C) of this 255  
section, and less all advances. When a partial, semiannual, or 256  
final property tax settlement is delayed, securities may also be 257  
issued in anticipation of the receipt of property taxes levied or 258  
collected for debt charges to the extent necessary to meet such 259  
debt charges but not in excess of such estimated receipts, less 260  
all advances. The securities issued pursuant to this division (A) 261  
shall mature not later than the last day of the sixth month 262  
following the month in which the securities are issued and in any 263  
case not later than the last day of the fiscal year in which they 264  
are issued. 265

(B) In anticipation of the collection of current revenues in 266  
and for any fiscal year from any source or combination of sources, 267

including distributions of any federal or state moneys, other than 268  
the proceeds of property taxes levied by the subdivision, the 269  
taxing authority of any subdivision may issue securities, but the 270  
aggregate principal amount of such securities shall not exceed 271  
one-half of the amount estimated by the fiscal officer to be 272  
received by the subdivision from such sources during the remainder 273  
of such fiscal year, less advances and prior collections. 274

(C) In anticipation of the collection of current property tax 275  
revenues in and for any fiscal year, the taxing authority of a 276  
county, municipal corporation, township, or school district may 277  
issue securities, but the aggregate principal amount of those 278  
securities and of any securities issued pursuant to division (A) 279  
of this section outstanding at the time of issuance shall not 280  
exceed one-half of the amount that the budget commission estimates 281  
the subdivision will receive from all property taxes that are to 282  
be distributed to the subdivision from all settlements of taxes 283  
that are to be made in the remainder of that fiscal year, other 284  
than taxes to be received for the payment of debt charges, and 285  
less all advances. 286

(D) When the tax settlement scheduled under division (B) of 287  
section 321.24 of the Revised Code is delayed pursuant to division 288  
(E) of that section, the taxing authority of a school district may 289  
issue property tax anticipation securities against the taxes to be 290  
included in that settlement, but the aggregate principal amount of 291  
all securities outstanding against those taxes shall not exceed 292  
ninety per cent of the amount estimated to be received from that 293  
settlement by the budget commission, other than taxes to be 294  
received for the payment of debt charges, and less all advances. 295  
The securities issued pursuant to this division (D) shall mature 296  
on or before the next ensuing thirty-first day of August. 297

(E) This division applies to all securities authorized by 298  
this section. 299

(1) The amounts from the sources anticipated needed to pay 300  
debt charges and financing costs shall be considered appropriated 301  
for that purpose, and other appropriations from those sources by 302  
the taxing authority shall be limited to the balance available 303  
after deducting the amount to pay those debt charges and financing 304  
costs. The portions of those amounts as received and to be applied 305  
to those debt charges shall be deposited and set aside in an 306  
account for the purpose in the bond retirement fund in the amounts 307  
and at the times required to pay those debt charges as provided 308  
for by the authorizing legislation or otherwise provided by law. 309

(2) Except as otherwise provided in division (H) of this 310  
section, the securities shall not be issued prior to the first day 311  
and, except as otherwise provided in divisions (A) and (D) of this 312  
section, shall mature not later than the last day of the fiscal 313  
year for which the revenues are anticipated. 314

(3) The proceeds of the principal amount of the securities 315  
shall be used only for the purposes for which the amounts 316  
anticipated were levied, collected, distributed, and appropriated, 317  
and for financing costs related to those securities. 318

(4) Property taxes include distributions from the state in 319  
payment of credits against or partial exemptions from, or 320  
reduction of, property taxes. 321

(5) If for any reason debt charges on securities authorized 322  
by this section are not paid by the subdivision in the fiscal year 323  
when due, the taxing authority of the subdivision shall include in 324  
its next annual appropriation measure an amount sufficient to pay 325  
those debt charges, and the county auditor and county treasurer 326  
shall withhold, in a custodial account, amounts due the 327  
subdivision from the sources anticipated until such amount is 328  
accumulated by those officers and they directly pay or provide, 329  
through the paying agent or otherwise, for the payment of those 330  
debt charges. 331

(F) The authority to issue securities under divisions (A) and 332  
(B) of this section may be exercised by any board of library 333  
trustees of a public library, or board of park commissioners of a 334  
township, to which the budget commission has allotted a share of 335  
the local government fund under section 5747.51 of the Revised 336  
Code or of the public library ~~and local government support~~ fund 337  
under section 5707.051 of the Revised Code. 338

(G) The taxing authority of a school district issuing 339  
securities under division (A), (C), or (D) of this section shall 340  
in the legislation authorizing the securities affirm the levy of, 341  
or covenant to levy, the anticipated property taxes to be 342  
collected in the following year. 343

(H) The taxing authority of a school district may issue 344  
securities authorized by this section on or after the tenth day 345  
preceding the first day of the fiscal year for which the revenues 346  
are anticipated; provided, that if the taxing authority of a 347  
school district issues securities authorized by this section prior 348  
to the first day of the fiscal year for which the revenues are 349  
anticipated: 350

(1) None of the proceeds received by the school district from 351  
the sale of the securities shall be considered available for 352  
appropriation prior to the first day of the fiscal year for which 353  
the revenues are anticipated; and 354

(2) None of the proceeds received by the school district from 355  
the sale of the securities shall be expended prior to the first 356  
day of the fiscal year for which the revenues are anticipated. 357

**Sec. 135.35.** (A) The investing authority shall deposit or 358  
invest any part or all of the county's inactive moneys and shall 359  
invest all of the money in the county public library ~~and local~~ 360  
~~government support~~ fund when required by section 135.352 of the 361  
Revised Code. The following classifications of securities and 362

obligations are eligible for such deposit or investment: 363

(1) United States treasury bills, notes, bonds, or any other 364  
obligation or security issued by the United States treasury, any 365  
other obligation guaranteed as to principal or interest by the 366  
United States, or any book entry, zero-coupon United States 367  
treasury security that is a direct obligation of the United 368  
States. 369

Nothing in the classification of eligible securities and 370  
obligations set forth in divisions (A)(2) to (11) of this section 371  
shall be construed to authorize any investment in stripped 372  
principal or interest obligations of such eligible securities and 373  
obligations. 374

(2) Bonds, notes, debentures, or any other obligations or 375  
securities issued by any federal government agency or 376  
instrumentality, including but not limited to, the federal 377  
national mortgage association, federal home loan bank, federal 378  
farm credit bank, federal home loan mortgage corporation, 379  
government national mortgage association, and student loan 380  
marketing association. All federal agency securities shall be 381  
direct issuances of federal government agencies or 382  
instrumentalities. 383

(3) Time certificates of deposit or savings or deposit 384  
accounts, including, but not limited to, passbook accounts, in any 385  
eligible institution mentioned in section 135.32 of the Revised 386  
Code; 387

(4) Bonds and other obligations of this state or the 388  
political subdivisions of this state, provided that such political 389  
subdivisions are located wholly or partly within the same county 390  
as the investing authority; 391

(5) No-load money market mutual funds consisting exclusively 392  
of obligations described in division (A)(1) or (2) of this section 393

and repurchase agreements secured by such obligations, provided 394  
that investments in securities described in this division are made 395  
only through eligible institutions mentioned in section 135.32 of 396  
the Revised Code; 397

(6) The Ohio subdivision's fund as provided in section 135.45 398  
of the Revised Code; 399

(7) Securities lending agreements with any eligible 400  
institution mentioned in section 135.32 of the Revised Code that 401  
is a member of the federal reserve system or federal home loan 402  
bank or with any recognized United States government securities 403  
dealer meeting the description in division (J)(1) of this section, 404  
under the terms of which agreements the investing authority lends 405  
securities and the eligible institution or dealer agrees to 406  
simultaneously exchange similar securities or cash, equal value 407  
for equal value. 408

Securities and cash received as collateral for a securities 409  
lending agreement are not inactive moneys of the county or moneys 410  
of a county public library ~~and local government support~~ fund. The 411  
investment of cash collateral received pursuant to a securities 412  
lending agreement may be invested only in instruments specified by 413  
the investing authority in the written investment policy described 414  
in division (K) of this section. 415

(8) Up to twenty-five per cent of the county's total average 416  
portfolio in either of the following investments: 417

(a) Commercial paper notes issued by an entity that is 418  
defined in division (D) of section 1705.01 of the Revised Code and 419  
that has assets exceeding five hundred million dollars, to which 420  
notes all of the following apply: 421

(i) The notes are rated at the time of purchase in the 422  
highest classification established by at least two nationally 423  
recognized standard rating services. 424

(ii) The aggregate value of the notes does not exceed ten per cent of the aggregate value of the outstanding commercial paper of the issuing corporation.

(iii) The notes mature not later than two hundred seventy days after purchase.

(b) Bankers acceptances of banks that are insured by the federal deposit insurance corporation and to which both of the following apply:

(i) The obligations are eligible for purchase by the federal reserve system.

(ii) The obligations mature not later than one hundred eighty days after purchase.

No investment shall be made pursuant to division (A)(8) of this section unless the investing authority has completed additional training for making the investments authorized by division (A)(8) of this section. The type and amount of additional training shall be approved by the auditor of state and may be conducted by or provided under the supervision of the auditor of state.

(9) Up to fifteen per cent of the county's total average portfolio in notes issued by corporations that are incorporated under the laws of the United States and that are operating within the United States, or by depository institutions that are doing business under authority granted by the United States or any state and that are operating within the United States, provided both of the following apply:

(a) The notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase.

(b) The notes mature not later than two years after purchase.

(10) No-load money market mutual funds rated in the highest 455  
category at the time of purchase by at least one nationally 456  
recognized standard rating service and consisting exclusively of 457  
obligations described in division (A)(1), (2), or (6) of section 458  
135.143 of the Revised Code; 459

(11) Debt interests rated at the time of purchase in the 460  
three highest categories by two nationally recognized standard 461  
rating services and issued by foreign nations diplomatically 462  
recognized by the United States government. All interest and 463  
principal shall be denominated and payable in United States funds. 464  
The investments made under division (A)(11) of this section shall 465  
not exceed in the aggregate one per cent of a county's total 466  
average portfolio. 467

The investing authority shall invest under division (A)(11) 468  
of this section in a debt interest issued by a foreign nation only 469  
if the debt interest is backed by the full faith and credit of 470  
that foreign nation, there is no prior history of default, and the 471  
debt interest matures not later than five years after purchase. 472  
For purposes of division (A)(11) of this section, a debt interest 473  
is rated in the three highest categories by two nationally 474  
recognized standard rating services if either the debt interest 475  
itself or the issuer of the debt interest is rated, or is 476  
implicitly rated, at the time of purchase in the three highest 477  
categories by two nationally recognized standard rating services. 478

(B) Nothing in the classifications of eligible obligations 479  
and securities set forth in divisions (A)(1) to (11) of this 480  
section shall be construed to authorize investment in a 481  
derivative, and no investing authority shall invest any county 482  
inactive moneys or any moneys in a county public library ~~and local~~ 483  
~~government support~~ fund in a derivative. For purposes of this 484  
division, "derivative" means a financial instrument or contract or 485  
obligation whose value or return is based upon or linked to 486



another asset or index, or both, separate from the financial 487  
instrument, contract, or obligation itself. Any security, 488  
obligation, trust account, or other instrument that is created 489  
from an issue of the United States treasury or is created from an 490  
obligation of a federal agency or instrumentality or is created 491  
from both is considered a derivative instrument. An eligible 492  
investment described in this section with a variable interest rate 493  
payment, based upon a single interest payment or single index 494  
comprised of other eligible investments provided for in division 495  
(A)(1) or (2) of this section, is not a derivative, provided that 496  
such variable rate investment has a maximum maturity of two years. 497  
A treasury inflation-protected security shall not be considered a 498  
derivative, provided the security matures not later than five 499  
years after purchase. 500

(C) Except as provided in division (D) of this section, any 501  
investment made pursuant to this section must mature within five 502  
years from the date of settlement, unless the investment is 503  
matched to a specific obligation or debt of the county or to a 504  
specific obligation or debt of a political subdivision of this 505  
state located wholly or partly within the county, and the 506  
investment is specifically approved by the investment advisory 507  
committee. 508

(D) The investing authority may also enter into a written 509  
repurchase agreement with any eligible institution mentioned in 510  
section 135.32 of the Revised Code or any eligible securities 511  
dealer pursuant to division (J) of this section, under the terms 512  
of which agreement the investing authority purchases and the 513  
eligible institution or dealer agrees unconditionally to 514  
repurchase any of the securities listed in divisions (B)(1) to 515  
(5), except letters of credit described in division (B)(2), of 516  
section 135.18 of the Revised Code. The market value of securities 517  
subject to an overnight written repurchase agreement must exceed 518

the principal value of the overnight written repurchase agreement 519  
by at least two per cent. A written repurchase agreement must 520  
exceed the principal value of the overnight written repurchase 521  
agreement, by at least two per cent. A written repurchase 522  
agreement shall not exceed thirty days, and the market value of 523  
securities subject to a written repurchase agreement must exceed 524  
the principal value of the written repurchase agreement by at 525  
least two per cent and be marked to market daily. All securities 526  
purchased pursuant to this division shall be delivered into the 527  
custody of the investing authority or the qualified custodian of 528  
the investing authority or an agent designated by the investing 529  
authority. A written repurchase agreement with an eligible 530  
securities dealer shall be transacted on a delivery versus payment 531  
basis. The agreement shall contain the requirement that for each 532  
transaction pursuant to the agreement the participating 533  
institution shall provide all of the following information: 534

(1) The par value of the securities; 535

(2) The type, rate, and maturity date of the securities; 536

(3) A numerical identifier generally accepted in the 537  
securities industry that designates the securities. 538

No investing authority shall enter into a written repurchase 539  
agreement under the terms of which the investing authority agrees 540  
to sell securities owned by the county to a purchaser and agrees 541  
with that purchaser to unconditionally repurchase those 542  
securities. 543

(E) No investing authority shall make an investment under 544  
this section, unless the investing authority, at the time of 545  
making the investment, reasonably expects that the investment can 546  
be held until its maturity. The investing authority's written 547  
investment policy shall specify the conditions under which an 548  
investment may be redeemed or sold prior to maturity. 549

(F) No investing authority shall pay a county's inactive 550  
moneys or moneys of a county public library ~~and local government~~ 551  
~~support~~ fund into a fund established by another subdivision, 552  
treasurer, governing board, or investing authority, if that fund 553  
was established by the subdivision, treasurer, governing board, or 554  
investing authority for the purpose of investing or depositing the 555  
public moneys of other subdivisions. This division does not apply 556  
to the payment of public moneys into either of the following: 557

(1) The Ohio subdivision's fund pursuant to division (A)(6) 558  
of this section; 559

(2) A fund created solely for the purpose of acquiring, 560  
constructing, owning, leasing, or operating municipal utilities 561  
pursuant to the authority provided under section 715.02 of the 562  
Revised Code or Section 4 of Article XVIII, Ohio Constitution. 563

For purposes of division (F) of this section, "subdivision" 564  
includes a county. 565

(G) The use of leverage, in which the county uses its current 566  
investment assets as collateral for the purpose of purchasing 567  
other assets, is prohibited. The issuance of taxable notes for the 568  
purpose of arbitrage is prohibited. Contracting to sell securities 569  
not owned by the county, for the purpose of purchasing such 570  
securities on the speculation that bond prices will decline, is 571  
prohibited. 572

(H) Any securities, certificates of deposit, deposit 573  
accounts, or any other documents evidencing deposits or 574  
investments made under authority of this section shall be issued 575  
in the name of the county with the county treasurer or investing 576  
authority as the designated payee. If any such deposits or 577  
investments are registrable either as to principal or interest, or 578  
both, they shall be registered in the name of the treasurer. 579

(I) The investing authority shall be responsible for the 580

safekeeping of all documents evidencing a deposit or investment 581  
acquired under this section, including, but not limited to, 582  
safekeeping receipts evidencing securities deposited with a 583  
qualified trustee, as provided in section 135.37 of the Revised 584  
Code, and documents confirming the purchase of securities under 585  
any repurchase agreement under this section shall be deposited 586  
with a qualified trustee, provided, however, that the qualified 587  
trustee shall be required to report to the investing authority, 588  
auditor of state, or an authorized outside auditor at any time 589  
upon request as to the identity, market value, and location of the 590  
document evidencing each security, and that if the participating 591  
institution is a designated depository of the county for the 592  
current period of designation, the securities that are the subject 593  
of the repurchase agreement may be delivered to the treasurer or 594  
held in trust by the participating institution on behalf of the 595  
investing authority. 596

Upon the expiration of the term of office of an investing 597  
authority or in the event of a vacancy in the office for any 598  
reason, the officer or the officer's legal representative shall 599  
transfer and deliver to the officer's successor all documents 600  
mentioned in this division for which the officer has been 601  
responsible for safekeeping. For all such documents transferred 602  
and delivered, the officer shall be credited with, and the 603  
officer's successor shall be charged with, the amount of moneys 604  
evidenced by such documents. 605

(J)(1) All investments, except for investments in securities 606  
described in divisions (A)(5) and (6) of this section, shall be 607  
made only through a member of the national association of 608  
securities dealers, through a bank, savings bank, or savings and 609  
loan association regulated by the superintendent of financial 610  
institutions, or through an institution regulated by the 611  
comptroller of the currency, federal deposit insurance 612

corporation, or board of governors of the federal reserve system. 613

(2) Payment for investments shall be made only upon the 614  
delivery of securities representing such investments to the 615  
treasurer, investing authority, or qualified trustee. If the 616  
securities transferred are not represented by a certificate, 617  
payment shall be made only upon receipt of confirmation of 618  
transfer from the custodian by the treasurer, governing board, or 619  
qualified trustee. 620

(K)(1) Except as otherwise provided in division (K)(2) of 621  
this section, no investing authority shall make an investment or 622  
deposit under this section, unless there is on file with the 623  
auditor of state a written investment policy approved by the 624  
investing authority. The policy shall require that all entities 625  
conducting investment business with the investing authority shall 626  
sign the investment policy of that investing authority. All 627  
brokers, dealers, and financial institutions, described in 628  
division (J)(1) of this section, initiating transactions with the 629  
investing authority by giving advice or making investment 630  
recommendations shall sign the investing authority's investment 631  
policy thereby acknowledging their agreement to abide by the 632  
policy's contents. All brokers, dealers, and financial 633  
institutions, described in division (J)(1) of this section, 634  
executing transactions initiated by the investing authority, 635  
having read the policy's contents, shall sign the investment 636  
policy thereby acknowledging their comprehension and receipt. 637

(2) If a written investment policy described in division 638  
(K)(1) of this section is not filed on behalf of the county with 639  
the auditor of state, the investing authority of that county shall 640  
invest the county's inactive moneys and moneys of the county 641  
~~public library and local government support~~ fund only in time 642  
certificates of deposits or savings or deposit accounts pursuant 643  
to division (A)(3) of this section, no-load money market mutual 644

funds pursuant to division (A)(5) of this section, or the Ohio 645  
subdivision's fund pursuant to division (A)(6) of this section. 646

(L)(1) The investing authority shall establish and maintain 647  
an inventory of all obligations and securities acquired by the 648  
investing authority pursuant to this section. The inventory shall 649  
include a description of each obligation or security, including 650  
type, cost, par value, maturity date, settlement date, and any 651  
coupon rate. 652

(2) The investing authority shall also keep a complete record 653  
of all purchases and sales of the obligations and securities made 654  
pursuant to this section. 655

(3) The investing authority shall maintain a monthly 656  
portfolio report and issue a copy of the monthly portfolio report 657  
describing such investments to the county investment advisory 658  
committee, detailing the current inventory of all obligations and 659  
securities, all transactions during the month that affected the 660  
inventory, any income received from the obligations and 661  
securities, and any investment expenses paid, and stating the 662  
names of any persons effecting transactions on behalf of the 663  
investing authority. 664

(4) The monthly portfolio report shall be a public record and 665  
available for inspection under section 149.43 of the Revised Code. 666

(5) The inventory and the monthly portfolio report shall be 667  
filed with the board of county commissioners. 668

(M) An investing authority may enter into a written 669  
investment or deposit agreement that includes a provision under 670  
which the parties agree to submit to nonbinding arbitration to 671  
settle any controversy that may arise out of the agreement, 672  
including any controversy pertaining to losses of public moneys 673  
resulting from investment or deposit. The arbitration provision 674  
shall be set forth entirely in the agreement, and the agreement 675

shall include a conspicuous notice to the parties that any party 676  
to the arbitration may apply to the court of common pleas of the 677  
county in which the arbitration was held for an order to vacate, 678  
modify, or correct the award. Any such party may also apply to the 679  
court for an order to change venue to a court of common pleas 680  
located more than one hundred miles from the county in which the 681  
investing authority is located. 682

For purposes of this division, "investment or deposit 683  
agreement" means any agreement between an investing authority and 684  
a person, under which agreement the person agrees to invest, 685  
deposit, or otherwise manage, on behalf of the investing 686  
authority, a county's inactive moneys or moneys in a county public 687  
~~library and local government support~~ fund, or agrees to provide 688  
investment advice to the investing authority. 689

(N) An investment held in the county portfolio on September 690  
27, 1996, that was a legal investment under the law as it existed 691  
before September 27, 1996, may be held until maturity, or if the 692  
investment does not have a maturity date the investment may be 693  
held until five years from September 27, 1996, regardless of 694  
whether the investment would qualify as a legal investment under 695  
the terms of this section as amended. 696

**Sec. 135.352.** The investment authority shall invest all 697  
moneys in the county public library ~~and local government support~~ 698  
fund that are not distributed due to an appeal of the budget 699  
commission's allocation of such fund. Interest earned on such 700  
investments shall be credited to the fund and distributed in 701  
accordance with section 5747.48 of the Revised Code. 702

**Sec. 149.411.** There is hereby created in each county free 703  
public library, municipal free public library, township free 704  
public library, school district free public library as described 705

in section 3375.15 of the Revised Code, county library district, 706  
and regional library district a library records commission 707  
composed of the members and the ~~clerk~~ fiscal officer of the board 708  
of library trustees of the appropriate public library or library 709  
district. The commission shall meet at least once every twelve 710  
months. 711

The functions of the commission shall be to review 712  
applications for one-time disposal of obsolete records and 713  
schedules of records retention and disposition submitted by any 714  
employee of the library. The commission may dispose of records 715  
pursuant to the procedure outlined in this section. The commission 716  
at any time may review any schedule it has previously approved and 717  
for good cause shown may revise that schedule. 718

When the appropriate library records commission has approved 719  
any library application for one-time disposal of obsolete records 720  
or any schedule of records retention and disposition, the 721  
commission shall send that application or schedule to the Ohio 722  
historical society for its review. The Ohio historical society 723  
shall review the application or schedule within a period of not 724  
more than sixty days after its receipt of it. Upon completion of 725  
its review, the Ohio historical society shall forward the 726  
application for one-time disposal of obsolete records or the 727  
schedule of records retention and disposition to the auditor of 728  
state for the auditor's approval or disapproval. The auditor shall 729  
approve or disapprove the application or schedule within a period 730  
of not more than sixty days after receipt of it. Before public 731  
records are to be disposed of, the commission shall inform the 732  
Ohio historical society of the disposal through the submission of 733  
a certificate of records disposal and shall give the society the 734  
opportunity for a period of fifteen business days to select for 735  
its custody those public records that it considers to be of 736  
continuing historical value. The Ohio historical society may not 737



review or select for its custody any records pursuant to section 738  
149.432 of the Revised Code. 739

**Sec. 321.08.** The county treasurer shall enter on ~~his~~ the 740  
treasurer's account each day the money received for advance 741  
payments of taxes and taxes charged on the general and special 742  
duplicates of the current year in the following manner: 743

(A) Collections of estate tax to be credited to the 744  
"undivided estate tax fund;" 745

(B) Collections of classified property taxes, including 746  
interest and penalties thereon, shall be credited to the county 747  
public library ~~and local government support~~ fund and distributed 748  
in accordance with section 5747.48 of the Revised Code; 749

(C) Collections of other taxes and assessments of whatever 750  
kind to be credited to the undivided general tax fund. 751

**Sec. 3375.05.** The board of trustees of any public library 752  
receiving money from a county's public library ~~and local~~ 753  
~~government support~~ fund that desires to render public library 754  
service by means of branches, library stations, or traveling 755  
library service to the inhabitants of any school district, other 756  
than a school district situated within the territorial boundaries 757  
of the subdivision or district over which said board has 758  
jurisdiction of free public library service, may make application 759  
to the state library board, upon forms provided by said board, for 760  
the establishment of such service. Said application shall set 761  
forth the total number of people being served by said library on 762  
the date of said application; an inventory of the books owned by 763  
said library; the number of branches, library stations, and 764  
traveling library service maintained by said library on the date 765  
of said application; the number and classification of the 766  
employees of said library and such other information as the state 767

library board deems pertinent. Such application shall be 768  
accompanied by a financial statement of the library making the 769  
application covering the two fiscal years next preceding the date 770  
of said application. Upon receipt of said application by the state 771  
library board, the state librarian, or an employee of the state 772  
library board designated by such librarian, shall visit the 773  
library making the application for the purpose of determining 774  
whether or not the establishment of branches, library stations, or 775  
traveling library service as requested in said application will 776  
promote better library service in the district covered by said 777  
application. Upon the completion of such inspection, the 778  
librarian, or the person designated by the librarian to make such 779  
inspection, shall prepare a written report setting forth ~~his~~ the 780  
librarian's or designee's recommendations pertaining to the 781  
establishment of the branches, stations, or traveling library 782  
service as set forth in the application. Such report shall be 783  
submitted to the state library board within ninety days after the 784  
receipt of such application by the state library board. Within 785  
thirty days after such report has been filed with the state 786  
library board, said board shall either approve or disapprove, in 787  
whole or in part, the establishment of branches, library stations, 788  
or traveling library service as requested in said application. The 789  
decision of the state library board shall be final. Within ten 790  
days after final action has been taken by the state library board, 791  
upon such application, the librarian shall notify in writing the 792  
board of trustees of the public library making such application of 793  
the decision of the state library board. 794

The state library board may withdraw its approval of library 795  
service rendered by any library to the inhabitants of a school 796  
district other than the school district in which the main library 797  
of such library is located. At least thirty days before the 798  
approval of such service may be withdrawn, the state library board 799  
shall give written notice to the board of trustees of the library 800

rendering the service and the board of education of the school 801  
district to which such service is being rendered. Such notice 802  
shall set forth the reasons for the withdrawal of the approval of 803  
such service. If the board of trustees of the library rendering 804  
such service, or the board of education of a school district to 805  
which such service is being rendered, objects to the withdrawal of 806  
such approval it may, within twenty days of the receipt of such 807  
notice, request, in writing, the state library board to hold a 808  
hearing for the purpose of hearing protests to the withdrawal of 809  
such approval. Upon the receipt of such request, the state library 810  
board shall set the time and place of such hearing which shall be 811  
held within the territorial boundaries of the school district 812  
being served by the branch, station, or traveling library service 813  
whose continued operation is in question. Such hearing shall be 814  
held not less than thirty days after the receipt by the state 815  
library board of the request for such hearing. The state library 816  
board shall take no action on the withdrawal of approval of such 817  
service until after the holding of such hearing. The decision of 818  
the state library board shall be final. 819

**Sec. 3375.121.** (A) In any municipal corporation, not located 820  
in a county library district, which has a population of not less 821  
than twenty-five thousand, and within which there is not located a 822  
main library of a township, municipal, school district, 823  
association, or county free public library, a library district may 824  
be created by a resolution adopted by the legislative authority of 825  
that municipal corporation. No such resolution shall be adopted 826  
after one year from June 20, 1977. Upon the adoption of such a 827  
resolution, any branches of an existing library that are located 828  
in that municipal corporation shall become the property of the 829  
municipal library district created. 830

The municipal corporation and the board of trustees of the 831  
public library maintaining any existing branches in that municipal 832

corporation shall forthwith take appropriate action transferring 833  
all title and interest in all real and personal property located 834  
in that municipal corporation in the name of the library district 835  
maintaining those branches in that municipal corporation to the 836  
municipal corporation adopting the appropriate resolution. Upon 837  
transfer of all title and interest in that property, the branches 838  
shall become a part of, and be operated by, the board of library 839  
trustees appointed by the mayor. 840

(B) In any municipal corporation that has a population of 841  
less than twenty-five thousand and that has not less than one 842  
hundred thousand dollars available from a bequest for the 843  
establishment of a municipal library, the legislative authority of 844  
that municipal corporation may adopt, within one year after June 845  
20, 1977, a resolution creating a library district. Upon the 846  
establishment of any such library district, the board of trustees 847  
of any library operating a branch library in that municipal 848  
corporation shall not be required to transfer any property to the 849  
newly established library. 850

(C) The board of library trustees of any library district 851  
created under this section shall be composed of six members. Those 852  
trustees shall be appointed by the mayor, to serve without 853  
compensation, for a term of four years. In the first instance, 854  
three of those trustees shall be appointed for a term of two 855  
years, and three of them shall be appointed for a term of four 856  
years. Vacancies shall be filled by like appointment for the 857  
unexpired term. A library district created under this section 858  
shall be governed in accordance with and exercise the authority 859  
provided for in sections 3375.32 to 3375.41 of the Revised Code. 860

Notwithstanding any contrary provision of section 3.24 of the 861  
Revised Code, the president of a board of township trustees may 862  
administer the oath of office to a person or persons representing 863  
the township on the board of library trustees of any library 864

district created under this section, even if the geographical 865  
limits of the library district do not fall within the geographical 866  
limits of the township. 867

(D) Any library district created under this section is 868  
eligible to participate in the proceeds of the county public 869  
library ~~and local government support~~ fund in accordance with 870  
section 5705.28 of the Revised Code. 871

(E) A municipal corporation may establish and operate a free 872  
public library regardless of whether the municipal corporation is 873  
located in a county library district or school library district, 874  
if all of the following conditions are met: 875

(1) The facility in which the library is principally located 876  
is transferred to the municipal corporation from the county 877  
library district or school library district in which it is located 878  
prior to January 1, 1996. 879

(2) The population of the municipal corporation is less than 880  
five hundred when the library is transferred from the county 881  
library district or school library district to the municipal 882  
corporation. 883

(3) The municipal corporation does not establish a municipal 884  
library district under this section. 885

(4) The library does not receive any proceeds from the county 886  
public library ~~and local government support~~ fund under section 887  
5747.48 of the Revised Code. 888

**Sec. 3375.32.** Each board of library trustees appointed 889  
pursuant to sections 3375.06, 3375.10, 3375.12, 3375.15, 3375.22 890  
and 3375.30, of the Revised Code shall meet in January of each 891  
year and organize by selecting from its membership a president, a 892  
vice-president, and a secretary who shall serve for a term of one 893  
year. At the same meeting each board shall elect and fix the 894

compensation of a ~~clerk~~ fiscal officer, who may be a member of the 895  
board, and who shall serve for a term of one year. The ~~clerk~~ 896  
fiscal officer, before entering upon ~~his~~ official duties, shall 897  
execute a bond in an amount and with surety to be approved by the 898  
board, payable to the board, and conditioned for the faithful 899  
performance of the official duties required of ~~him~~ the fiscal 900  
officer. 901

**Sec. 3375.35.** Each board of library trustees appointed 902  
pursuant to sections 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, 903  
and 3375.30 of the Revised Code shall, in the exercise of the 904  
powers conferred upon it, be governed by this section. For the 905  
purpose of transacting any business a quorum is a majority of the 906  
full membership of the board. The purchase of any real property 907  
requires a two-thirds vote of the full membership of the board 908  
making such purchase. All conveyances of real property shall be 909  
executed by the president and the secretary of the board making 910  
such conveyance. ~~No~~ Except as provided in section 3375.351 of the 911  
Revised Code, no moneys credited to a free public library shall be 912  
paid out except on a check signed by the ~~clerk~~ fiscal officer of 913  
the board having jurisdiction over said moneys and the president, 914  
vice-president, or secretary of said board. Each board of library 915  
trustees shall, at the end of each fiscal year, transmit on forms 916  
provided by the state library board to the state librarian and 917  
officer or board which appointed said board of library trustees a 918  
report of the activities of said board of library trustees during 919  
said year. Such report shall include a complete financial 920  
statement showing the receipts and expenditures in detail of all 921  
library funds for the entire fiscal year made by such board of 922  
library trustees. No member of a board of library trustees shall 923  
have any pecuniary interest in any contract entered into by such 924  
board. 925

Sec. 3375.351. The fiscal officer of each board of library trustees appointed under section 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, or 3375.30 of the Revised Code may pay the compensation of each employee of the library under the board's jurisdiction by direct deposit, as defined in section 131.01 of the Revised Code. If direct deposit is chosen as the desired form of compensation by the board of library trustees for its employees, each employee shall provide to the fiscal officer a written authorization for payment by direct deposit. The authorization shall include the designation of a financial institution equipped to accept direct deposits and the number of the account into which the deposit is to be made. The authorization shall remain in effect until withdrawn in writing by the employee or until dishonored by the financial institution.

Sec. 3375.36. The ~~clerk~~ fiscal officer of the board of library trustees of a free public library shall be the treasurer of the library funds. All moneys received by ~~such clerk~~ the fiscal officer for library purposes shall be immediately placed by ~~him~~ the fiscal officer in a depository designated by the board. ~~Such clerk~~ The fiscal officer shall keep an account of the funds credited to the board. ~~Such clerk~~ The fiscal officer shall render a statement to the board monthly showing the revenues and receipts from whatever sources derived, the disbursements and the purposes for such disbursements, and the assets and liabilities of the board. At the end of each fiscal year the ~~clerk~~ fiscal officer shall submit to the board a complete financial statement showing the receipts and expenditures in detail for the entire fiscal year. The board of library trustees of a free public library may appoint a deputy ~~clerk~~ fiscal officer, for a term of one year, and may authorize such deputy to receive and disburse library funds. Such deputy, before entering upon ~~his~~ official duties, shall

execute a bond in an amount and with surety to be approved by the 957  
board, payable to the board, and conditioned for the faithful 958  
performance of the official duties required of ~~him~~ the deputy. 959

**Sec. 3375.37.** Before giving the ~~clerk~~ fiscal officer of a 960  
board of library trustees of a free public library a warrant for 961  
funds due such board, the county auditor shall require the ~~clerk~~ 962  
fiscal officer to file with ~~him~~ the auditor a statement showing 963  
the amount of funds on hand, available for expenditure by the 964  
board, according to the books of the ~~clerk~~ fiscal officer and the 965  
books of the depository designated by the board. Such statement 966  
shall indicate that the ~~clerk's~~ fiscal officer's books are in 967  
exact balance with the depository accounts and shall be certified 968  
to by the ~~clerk~~ fiscal officer and proper officer of the 969  
depository. 970

**Sec. 3375.38.** All the duties required of the county auditor, 971  
county treasurer, or other officer or person relating to the 972  
moneys to the credit of or to be credited to a board of library 973  
trustees of a free public library shall be complied with by 974  
dealing with the ~~clerk~~ fiscal officer of such board. 975

**Sec. 3375.39.** At the expiration of the term of a ~~clerk~~ fiscal 976  
officer of a board of library trustees of a free public library or 977  
before such board approves the surety of any ~~clerk~~ fiscal officer, 978  
such board shall require the ~~clerk~~ fiscal officer to produce all 979  
money, bonds, or other securities in ~~his~~ the fiscal officer's 980  
hands, which shall then be counted by the board or a committee of 981  
the board, or by a representative of the auditor of state. A 982  
certificate setting forth the exact amount of such money, bonds, 983  
or other securities and signed by the representatives making such 984  
count shall be entered upon the records of the board and shall be 985  
prima-facie evidence that the amount stated in such certificate is 986



actually in the treasury at that date. 987

**Sec. 3375.40.** Each board of library trustees appointed 988  
pursuant to section 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, 989  
or 3375.30 of the Revised Code may do the following: 990

(A) Hold title to and have the custody of all real and 991  
personal property of the free public library under its 992  
jurisdiction; 993

(B) Expend for library purposes, and in the exercise of the 994  
power enumerated in this section, all moneys, whether derived from 995  
the county public library ~~and local government support~~ fund or 996  
otherwise, credited to the free public library under its 997  
jurisdiction and generally do all things it considers necessary 998  
for the establishment, maintenance, and improvement of the free 999  
public library under its jurisdiction; 1000

(C) Purchase, lease, construct, remodel, renovate, or 1001  
otherwise improve, equip, and furnish buildings or parts of 1002  
buildings and other real property, and purchase, lease, or 1003  
otherwise acquire motor vehicles and other personal property, 1004  
necessary for the proper maintenance and operation of the free 1005  
public library under its jurisdiction, and pay their costs in 1006  
installments or otherwise. Financing of these costs may be 1007  
provided through the issuance of notes, through an installment 1008  
sale, or through a lease-purchase agreement. Any such notes shall 1009  
be issued pursuant to section 3375.404 of the Revised Code. 1010

(D) Purchase, lease, lease with an option to purchase, or 1011  
erect buildings or parts of buildings to be used as main 1012  
libraries, branch libraries, or library stations pursuant to 1013  
section 3375.41 of the Revised Code; 1014

(E) Establish and maintain a main library, branches, library 1015  
stations, and traveling library service within the territorial 1016

boundaries of the political subdivision or district over which it 1017  
has jurisdiction of free public library service; 1018

(F) Except as otherwise provided in this division, establish 1019  
and maintain branches, library stations, and traveling library 1020  
service in any school district, outside the territorial boundaries 1021  
of the political subdivision or district over which it has 1022  
jurisdiction of free public library service, upon application to 1023  
and approval of the state library board, pursuant to section 1024  
3375.05 of the Revised Code. The board of library trustees of any 1025  
free public library maintaining branches, stations, or traveling 1026  
library service, outside the territorial boundaries of the 1027  
political subdivision or district over which it has jurisdiction 1028  
of free public library service, on September 4, 1947, may continue 1029  
to maintain and operate those branches, those stations, and that 1030  
traveling library service without the approval of the state 1031  
library board. 1032

(G) Appoint and fix the compensation of all of the employees 1033  
of the free public library under its jurisdiction, pay the 1034  
reasonable cost of tuition for any of its employees who enroll in 1035  
a course of study the board considers essential to the duties of 1036  
the employee or to the improvement of the employee's performance, 1037  
and reimburse applicants for employment for any reasonable 1038  
expenses they incur by appearing for a personal interview; 1039

(H) Make and publish rules for the proper operation and 1040  
management of the free public library and facilities under its 1041  
jurisdiction, including rules pertaining to the provision of 1042  
library services to individuals, corporations, or institutions 1043  
that are not inhabitants of the county; 1044

(I) Assess uniform fees for the provision of services to 1045  
patrons of the library, but no fee shall be assessed for the 1046  
circulation of printed materials held by the library except for 1047  
the assessment of fines for materials not returned in accordance 1048

with the board's rules; 1049

(J) Establish and maintain a museum in connection with and as 1050  
an adjunct to the free public library under its jurisdiction; 1051

(K) By the adoption of a resolution, accept any bequest, 1052  
gift, or endowment upon the conditions connected with the bequest, 1053  
gift, or endowment. No such bequest, gift, or endowment shall be 1054  
accepted by the board if its conditions remove any portion of the 1055  
free public library under the board's jurisdiction from the 1056  
control of the board or if the conditions, in any manner, limit 1057  
the free use of the library or any part of it by the residents of 1058  
the counties in which the library is located. 1059

(L) At the end of any fiscal year, by a two-thirds vote of 1060  
its full membership, set aside any unencumbered surplus remaining 1061  
in the general fund of the free public library under its 1062  
jurisdiction for any purpose, including creating or increasing a 1063  
special building and repair fund, or for operating the library or 1064  
acquiring equipment and supplies; 1065

(M) Procure and pay all or part of the cost of group term 1066  
life, hospitalization, surgical, major medical, disability 1067  
benefit, dental care, eye care, hearing aids, or prescription drug 1068  
insurance or coverage, or a combination of any of those types of 1069  
insurance or coverage, whether issued by an insurance company or a 1070  
health insuring corporation duly licensed by the state, covering 1071  
its employees, and, in the case of group term life, 1072  
hospitalization, surgical, major medical, dental care, eye care, 1073  
hearing aids, or prescription drug insurance or coverage, also 1074  
covering the dependents and spouses of its employees, and, in the 1075  
case of disability benefits, also covering the spouses of its 1076  
employees. 1077

(N) Pay reasonable dues and expenses for the free public 1078  
library and library trustees in library associations. 1079

Any instrument by which real property is acquired pursuant to 1080  
this section shall identify the agency of the state that has the 1081  
use and benefit of the real property as specified in section 1082  
5301.012 of the Revised Code. 1083

**Sec. 3375.404.** (A) As used in this chapter: 1084

(1) "Anticipation notes" means notes issued in anticipation 1085  
of the library fund library facilities notes authorized by this 1086  
section. 1087

(2) "Authorizing proceedings" means the resolution, 1088  
legislation, trust agreement, certification and other agreements, 1089  
instruments, and documents, as amended and supplemented, 1090  
authorizing, or providing for the security or sale or award of, 1091  
notes, and includes the provisions set forth or incorporated in 1092  
those notes and proceedings. 1093

(3) "Board" or "board of library trustees" means the board of 1094  
library trustees appointed pursuant to sections 3375.06, 3375.10, 1095  
3375.12, 3375.15, 3375.22, and 3375.30 of the Revised Code. 1096

(4) "Library fund" means the public library ~~and local~~ 1097  
~~government support~~ fund provided for in Chapter 5747. of the 1098  
Revised Code or any successor to that fund. 1099

(5) "Note service charges" means principal, including any 1100  
mandatory sinking fund or redemption requirements for retirement 1101  
of notes, interest, and any redemption premium payable on notes. 1102

(6) "Notes" means the library fund library facilities notes 1103  
authorized by this section, including anticipation notes. 1104

(7) "Public library" means any of the libraries provided for 1105  
in sections 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, and 1106  
3375.30 of the Revised Code. 1107

(8) "Refunding notes" means notes issued to provide for the 1108  
refunding of the notes, or of obligations issued prior to the 1109

effective date of this section, collectively referred to in this 1110  
section as refunded obligations. 1111

(B) A board of library trustees of a public library that 1112  
receives an allocation of the library fund pursuant to section 1113  
5705.32 and Chapter 5747. of the Revised Code may anticipate its 1114  
portion of the proceeds of the library fund distribution and issue 1115  
library fund library facilities notes of the public library in the 1116  
principal amount necessary to pay the costs of financing the 1117  
facilities or other property referred to in division (C) of 1118  
section 3375.40 of the Revised Code, or to refund any refunded 1119  
obligations, provided that the board projects annual note service 1120  
charges on the notes, or on the notes being anticipated by 1121  
anticipation notes, to be capable of being paid from the annual 1122  
library fund receipts of the public library. The maximum aggregate 1123  
amount of notes that may be outstanding at any time in accordance 1124  
with their terms upon issuance of the new notes shall not exceed 1125  
an amount which requires or is estimated to require payments from 1126  
library fund receipts of note service charges on the notes, or, in 1127  
the case of anticipation notes, projected note service charges on 1128  
the notes anticipated, in any calendar year in an amount exceeding 1129  
thirty per cent of the average of the library fund receipts of the 1130  
public library for the two calendar years prior to the year in 1131  
which the notes are issued. A board may at any time issue renewal 1132  
anticipation notes, issue notes to pay renewal anticipation notes, 1133  
and, if it considers refunding expedient, issue refunding notes 1134  
whether the refunded obligations have or have not matured. The 1135  
refunding notes shall be sold and the proceeds needed for such 1136  
purpose applied in the manner provided in the authorizing 1137  
proceedings of the board. 1138

(C) Every issue of notes outstanding in accordance with their 1139  
terms shall be payable out of the money received by the public 1140  
library from the library fund or proceeds of notes, renewal 1141

anticipation notes, or refunding notes which may be pledged for 1142  
such payment in the authorizing proceedings. The pledge shall be 1143  
valid and binding from the time the pledge is made, and the 1144  
library fund receipts and proceeds so pledged and thereafter 1145  
received by the board shall immediately be subject to the lien of 1146  
that pledge without any physical delivery of the library fund 1147  
receipts or proceeds or further act. The lien of any pledge is 1148  
valid and binding as against all parties having claims of any kind 1149  
in tort, contract, or otherwise against the board, whether or not 1150  
such parties have notice of the lien. Neither the resolution nor 1151  
any trust agreement by which a pledge is created or further 1152  
evidenced need be filed or recorded except in the board's records. 1153

(D) Notes issued under this section do not constitute a debt, 1154  
or a pledge of the faith and credit, of the state, the public 1155  
library, or any other political subdivision of the state, and the 1156  
holders or owners of the notes have no right to have taxes levied 1157  
by the general assembly or by the taxing authority of any 1158  
political subdivision of the state, including the board of the 1159  
public library, for the payment of note service charges. Notes are 1160  
payable solely from the funds pledged for their payment as 1161  
authorized by this section. All notes shall contain on their face 1162  
a statement to the effect that the notes, as to note service 1163  
charges, are not debts or obligations of the state and are not 1164  
debts of any political subdivision of the state, but are payable 1165  
solely from the funds pledged for their payment. The utilization 1166  
and pledge of the library fund receipts and proceeds of notes, 1167  
renewal anticipation notes, or refunding notes for the payment of 1168  
note service charges is determined by the general assembly to 1169  
create a special obligation which is not a bonded indebtedness 1170  
subject to Section 11 of Article XII, Ohio Constitution, or, 1171  
alternatively, to satisfy any applicable requirement of that 1172  
Section 11. 1173

(E) The notes shall bear such date or dates, shall be 1174  
executed in the manner, and shall mature at such time or times, in 1175  
the case of any anticipation notes not exceeding ten years from 1176  
the date of issue of the original anticipation notes and in the 1177  
case of any notes that are not anticipation notes or of any 1178  
refunding notes, not exceeding twenty-five years from the date of 1179  
the original issue of notes, or other obligations for the purpose, 1180  
all as the authorizing proceedings may provide. The notes shall 1181  
bear interest at such rates, or at variable rate or rates changing 1182  
from time to time, in accordance with provisions provided in the 1183  
authorizing proceedings, be in such denominations and form, either 1184  
coupon or registered, carry such registration privileges, be 1185  
payable in such medium of payment and at such place or places, and 1186  
be subject to such terms of redemption, as the board may authorize 1187  
or provide. The notes may be sold at public or private sale, and 1188  
at, or at not less than, the price or prices as the board 1189  
determines. If any officer whose signature or a facsimile of whose 1190  
signature appears on any notes or coupons ceases to be such 1191  
officer before delivery of the notes or anticipation notes, the 1192  
signature or facsimile shall nevertheless be sufficient for all 1193  
purposes as if that officer had remained in office until delivery 1194  
of the notes. Whether or not the notes are of such form and 1195  
character as to be negotiable instruments under Title XIII of the 1196  
Revised Code, the notes shall have all the qualities and incidents 1197  
of negotiable instruments, subject only to any provisions for 1198  
registration. Neither the members of the board nor any person 1199  
executing the notes shall be liable personally on the notes or be 1200  
subject to any personal liability or accountability by reason of 1201  
their issuance. 1202

(F) Notwithstanding any other provision of this section, 1203  
sections 9.98 to 9.983, 133.02, 133.70, and 5709.76, and division 1204  
(A) of section 133.03 of the Revised Code apply to the notes. 1205  
Notes issued under this section need not comply with any other law 1206

applicable to notes or bonds but the authorizing proceedings may 1207  
provide that divisions (B) through (E) of section 133.25 of the 1208  
Revised Code apply to the notes or anticipation notes. 1209

(G) Any authorizing proceedings may contain provisions, 1210  
subject to any agreements with holders as may then exist, which 1211  
shall be a part of the contract with the holders, as to the 1212  
pledging of any or all of the board's anticipated library fund 1213  
receipts to secure the payment of the notes; the use and 1214  
disposition of the library fund receipts of the boards; the 1215  
crediting of the proceeds of the sale of notes to and among the 1216  
funds referred to or provided for in the authorizing proceedings; 1217  
limitations on the purpose to which the proceeds of the notes may 1218  
be applied and the pledging of portions of such proceeds to secure 1219  
the payment of the notes or of anticipation notes; the agreement 1220  
of the board to do all things necessary for the authorization, 1221  
issuance, and sale of those notes anticipated in such amounts as 1222  
may be necessary for the timely payment of note service charges on 1223  
any anticipation notes; limitations on the issuance of additional 1224  
notes; the terms upon which additional notes may be issued and 1225  
secured; the refunding of refunded obligations; the procedure by 1226  
which the terms of any contract with holders may be amended, and 1227  
the manner in which any required consent to amend may be given; 1228  
securing any notes by a trust agreement or other agreement which 1229  
may provide for notes or refunding notes to be further secured by 1230  
a mortgage on the property financed with the proceeds of the 1231  
notes, anticipation notes, or refunded obligations refunded by 1232  
refunding notes; and any other matters, of like or different 1233  
character, that in any way affect the security or protection of 1234  
the notes or anticipation notes. 1235

**Sec. 3375.41.** When a board of library trustees appointed 1236  
pursuant to section 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, 1237  
or 3375.30 of the Revised Code determines to construct, demolish, 1238



alter, repair, or reconstruct a library or make any improvements 1239  
or repairs, the cost of which will exceed twenty-five thousand 1240  
dollars, except in cases of urgent necessity or for the security 1241  
and protection of library property, it shall proceed as follows: 1242

(A) The board shall advertise for a period of ~~four~~ two weeks 1243  
for sealed bids in some newspaper of general circulation in the 1244  
district, and, if there are two such newspapers, the board shall 1245  
advertise in both of them. If no newspaper has a general 1246  
circulation in the district, the board shall post the 1247  
advertisement in three public places in the district. The 1248  
advertisement shall be entered in full by the ~~clerk~~ fiscal officer 1249  
on the record of proceedings of the board. 1250

(B) The sealed bids shall be filed with the ~~clerk~~ fiscal 1251  
officer by twelve noon of the last day stated in the 1252  
advertisement. 1253

(C) The sealed bids shall be opened at the next meeting of 1254  
the board, shall be publicly read by the ~~clerk~~ fiscal officer, and 1255  
shall be entered in full on the records of the board; provided 1256  
that the board, by resolution, may provide for the public opening 1257  
and reading of the bids by the ~~clerk~~ fiscal officer, immediately 1258  
after the time for their filing ~~the~~ has expired, at the usual 1259  
place of meeting of the board, and for the tabulation of the bids 1260  
and a report of the tabulation to the board at its next meeting. 1261

(D) Each sealed bid shall contain the name of every person 1262  
interested in it and shall meet the requirements of section 153.54 1263  
of the Revised Code. 1264

(E) When both labor and materials are embraced in the work 1265  
bid for, the board may require that each be separately stated in 1266  
the sealed bid, with their price ~~of each~~, or may require that bids 1267  
be submitted without ~~that~~ the separation. 1268

(F) None but the lowest responsible bid shall be accepted. 1269

The board may reject all the bids or accept any bid for both labor and material for the improvement or repair which is the lowest in the aggregate.

(G) The contract shall be between the board and the bidders. The board shall pay the contract price for the work in cash at the times and in the amounts as provided by sections 153.12, 153.13, and 153.14 of the Revised Code.

(H) When two or more bids are equal, in whole or in part, and are lower than any others, either may be accepted, but in no case shall the work be divided between these bidders.

(I) When there is reason to believe there is collusion or combination among the bidders, the bids of those concerned in the collusion or combination shall be rejected.

**Sec. 3375.42.** The board of county commissioners of any county, the board of education of any school district, the legislative authority of any municipal corporation, or the board of township trustees of any township may contract with the board of library trustees of any public library, or with any private corporation or library association maintaining a free public library prior to September 4, 1947, situated within or without the taxing district, to furnish library service to all the inhabitants of said taxing district, notwithstanding the fact that such library is receiving proceeds from the county public library ~~and local government support~~ fund, and may levy a tax, or make an appropriation from its general fund or from federal funds, to be expended by such library in providing library service in said taxing district for any of the purposes specified in section 3375.40 of the Revised Code. The taxing authority may require an annual report in writing from such board of library trustees, private corporation, or library association. When a tax for library purposes has been so levied, at each semiannual collection

of such tax the county auditor shall certify the amount collected 1301  
to the proper officer of the taxing district who shall forthwith 1302  
draw ~~his~~ a warrant for such amount on the treasurer of such 1303  
district payable to the proper officer of such library. 1304

Sec. 3375.64. (A) There is hereby established the Ohio public 1305  
library information network, as an independent agency within the 1306  
state library of Ohio, for the purpose of ensuring equity of 1307  
access to electronic information for all residents of this state, 1308  
subject to the restrictions described in division (C) of this 1309  
section on access to materials or performances that may be obscene 1310  
or harmful to juveniles. The network shall be governed by the 1311  
board of trustees created under section 3375.65 of the Revised 1312  
Code. 1313

(B)(1) Except as provided in division (B)(2) of this section, 1314  
any board of library trustees appointed under section 1713.28, 1315  
3375.06, 3375.10, 3375.12, 3375.15, 3375.22, 3375.30, or 3375.90 1316  
of the Revised Code may participate in the network by providing 1317  
notice in writing to the network board of trustees. 1318

(2) A board of library trustees participating in the network 1319  
authorized under Section 323.10 of H.B. 119 of the 127th general 1320  
assembly is a participant in the network established by division 1321  
(A) of this section unless its participation is otherwise 1322  
terminated. 1323

(C) A library board of trustees participating in the network 1324  
established under division (A) of this section shall comply with 1325  
any policies the network board of trustees may adopt. The network 1326  
board shall adopt a policy that requires each participant to 1327  
establish and enforce procedures designed to keep juveniles who 1328  
use the participant's services from having access to materials or 1329  
performances that may be obscene or harmful to juveniles and to 1330  
keep persons who are not juveniles and who use the participant's 1331

services from having access to materials or performances that may 1332  
be obscene. If a participant does not establish and enforce such 1333  
procedures, the network board shall terminate the participant's 1334  
participation in the network. As used in this division, 1335  
"juveniles," "materials," "performances," "obscene," and "harmful 1336  
to juveniles" have the same meanings as in section 2907.01 of the 1337  
Revised Code. 1338

Sec. 3375.65. (A) There is hereby created the Ohio public 1339  
library information network board of trustees, which shall be the 1340  
governing board of the Ohio public library information network. 1341  
The board shall consist of all of the following members: 1342

(1) The state librarian, who shall serve as a nonvoting 1343  
member; 1344

(2) The eleven members of the Ohio public library information 1345  
network board authorized under Section 323.10 of H.B. 119 of the 1346  
127th general assembly who are serving on such board on the 1347  
effective date of this section. These continuing members shall 1348  
serve staggered terms, with three terms expiring on June 30, 2008, 1349  
four terms expiring on June 30, 2009, and four terms expiring on 1350  
June 30, 2010. (At their first meeting after the effective date of 1351  
this section, the voting members of the board shall draw lots to 1352  
determine when their terms end.) Thereafter, terms of office for 1353  
all voting members shall be three years, with each term ending on 1354  
the same day of the same month as did the term that it succeeds. 1355  
The state library board shall fill a vacancy among the voting 1356  
members of the board by selecting an appointee from among the 1357  
staff of public libraries and past and present members of boards 1358  
of trustees of public libraries, based on the recommendations of 1359  
the library community of this state. A member of the board may be 1360  
reappointed, but no member shall serve more than two terms, 1361  
provided that service for a partial term of one year or less shall 1362

not be counted toward the two-term limitation. A member appointed 1363  
to fill a vacancy occurring prior to the expiration of the 1364  
predecessor's term shall hold office for the remainder of that 1365  
term. A member may continue in office subsequent to the expiration 1366  
of the member's term until the member's successor takes office, or 1367  
until a period of sixty days has elapsed, whichever occurs first. 1368

(B) Members of the board shall receive their actual and 1369  
necessary expenses incurred in the performance of their duties as 1370  
board members. 1371

(C) The board shall meet at least quarterly and hold such 1372  
additional meetings as are necessary to carry out the board's 1373  
duties under sections 3375.64, 3375.66, and 3375.67 of the Revised 1374  
Code. Additional meetings may be called in accordance with bylaws 1375  
adopted by the board. 1376

**Sec. 3375.66.** (A) To fulfill the network purpose under 1377  
section 3375.64 of the Revised Code, the board of trustees of the 1378  
Ohio public library information network shall do all of the 1379  
following: 1380

(1) Employ and fix the compensation of an executive director 1381  
of the network and such other personnel as are necessary to carry 1382  
out this section and sections 3375.64 and 3375.67 of the Revised 1383  
Code. The board may designate positions in the unclassified civil 1384  
service for which it may employ persons. 1385

(2) Develop plans of service and operation for the Ohio 1386  
public library information network in consultation with the state 1387  
library of Ohio; 1388

(3) Have exclusive control of the expenditure of all money 1389  
held in the name of the network; 1390

(4) Adopt bylaws for the governance of the network and for 1391  
calling and conducting the board's meetings; 1392

<u>(5) Appoint the state library of Ohio as the board's fiscal agent. When so appointed, the state library shall serve as fiscal agent and shall provide all of the following services:</u>	1393
	1394
	1395
<u>(a) Prepare and process payroll and other personnel documents that the board approves;</u>	1396
	1397
<u>(b) Maintain ledgers of accounts and reports of account balances, and monitor budgets and allotment plans in consultation with the board;</u>	1398
	1399
	1400
<u>(c) Provide purchasing services to facilitate the purchase of property approved by the board;</u>	1401
	1402
<u>(d) Deposit revenues received on behalf of the board into the accounts maintained by the board;</u>	1403
	1404
<u>(e) Perform other routine support services that the state librarian or the state librarian's designee and the board or the board's designee consider appropriate to achieve efficiency.</u>	1405
	1406
	1407
<u>(B) The board of trustees may do any of the following:</u>	1408
<u>(1) Enter into contracts or agreements for the purposes of this section and section 3375.64 of the Revised Code;</u>	1409
	1410
<u>(2) Receive grants, payments, bequests, and gifts on behalf of the network;</u>	1411
	1412
<u>(3) Expend, for the network purpose under section 3375.64 of the Revised Code, and in the exercise of the powers enumerated in this section, all money received as grants, payments, gifts, bequests, or otherwise, and generally do all things the board determines necessary for the establishment, maintenance, and improvement of the network;</u>	1413
	1414
	1415
	1416
	1417
	1418
<u>(4) Purchase, lease, or otherwise acquire vehicles and other personal property for the maintenance and operation of the network;</u>	1419
	1420
	1421
<u>(5) Purchase, erect, lease, lease with an option to purchase,</u>	1422

appropriate, or otherwise improve, equip, and furnish buildings or 1423  
parts of buildings and other real property for use by the network; 1424

(6) Hold title to and have custody of property, both real and 1425  
personal, of the network. 1426

**Sec. 3375.67.** If the need for the Ohio public library 1427  
information network ceases to exist, the network board of 1428  
trustees, by a two-thirds vote of its members, may declare its 1429  
intention to dissolve the network and file with the state library 1430  
board a plan for effecting such dissolution. 1431

**Sec. 3375.85.** An interstate library district lying partly 1432  
within this state may claim and be entitled to receive state aid, 1433  
other than aid from the public library and local government 1434  
~~support~~ fund, in support of any of its functions to the same 1435  
extent and in the same manner as such functions are eligible for 1436  
~~support~~ support when carried on by entities wholly within this 1437  
state. For the purposes of computing and apportioning such state 1438  
aid to an interstate library district, this state will consider 1439  
that portion of the area which lies within this state as an 1440  
independent entity for the performance of the aided function or 1441  
functions and compute and apportion the aid accordingly. Any 1442  
library association that was organized and operated prior to 1443  
January 1, 1968, and which pursuant to the authority granted in 1444  
section 3375.83 of the Revised Code, has become part of an 1445  
interstate library district shall be considered a library 1446  
association under section 5705.28 of the Revised Code and entitled 1447  
to participate in the county public library and local government 1448  
~~support~~ fund and other public funds. Subject to any applicable 1449  
laws of this state, such a district also may apply for and be 1450  
entitled to receive any federal aid for which it may be eligible. 1451

**Sec. 3375.91.** The board of trustees of each regional library 1452

system may: 1453

(A) Develop plans of service and operation for the regional 1454  
library system and submit these to the state library board, and to 1455  
each other granting authority if and when required by such 1456  
authority; 1457

(B) Receive grants, payments, bequests, and gifts and have 1458  
exclusive control of the expenditure of all moneys held in the 1459  
name of the regional library system; 1460

(C) Expend for library purposes, and in the exercise of the 1461  
powers enumerated in this section, all moneys whether received as 1462  
grants, payments, gifts, bequests, or otherwise, and generally do 1463  
all things it determines necessary for the establishment, 1464  
maintenance, and improvement of the regional library system under 1465  
its jurisdiction; 1466

(D) Make and publish such bylaws and rules as may be 1467  
necessary for its operation and for the government of the regional 1468  
library system; 1469

(E) Purchase or lease vehicles and other personal property 1470  
for the operation of the regional library system; 1471

(F) Purchase, erect, lease, or lease with an option to 1472  
purchase, appropriate buildings or parts of buildings for use of 1473  
the regional library system; 1474

(G) Hold title to and have the custody of all property, both 1475  
real and personal, of the regional library system; 1476

(H) Appoint and fix the compensation of a director and 1477  
necessary assistants, who shall have the same employment status as 1478  
employees of public libraries; 1479

(I) Elect and fix compensation of a ~~clerk~~ fiscal officer and 1480  
a deputy ~~clerk~~ fiscal officer who shall serve for a term of one 1481  
year; 1482



(J) Enter into contracts with the governing body of any 1483  
participating library organized under sections 1713.28, 3375.06, 1484  
3375.10, 3375.12, 3375.121, 3375.15, 3375.22, and 3375.30 of the 1485  
Revised Code, the state library board, any granting authority, the 1486  
board of county commissioners of any county, the board of 1487  
education of any school district, the legislative authority of any 1488  
municipal corporation, boards of township trustees, colleges, 1489  
universities, or public or private agencies and corporations; 1490

(K) Accept an application from any other library desiring to 1491  
become a participating library in accordance with the agreement 1492  
for the formation of the system, either as originally submitted to 1493  
and approved by the state library board, or as amended by and with 1494  
the agreement of all the participating libraries and the approval 1495  
of the state library board. 1496

**Sec. 3375.92.** The ~~clerk~~ fiscal officer of the board of 1497  
trustees of the regional library system is the treasurer of the 1498  
organization's funds. Before entering upon their duties, the ~~clerk~~ 1499  
fiscal officer and the deputy ~~clerk~~ fiscal officer shall execute a 1500  
bond in an amount and with surety to be approved by the board, and 1501  
conditioned for the faithful performance of the official duties 1502  
required of them. 1503

All moneys received by the ~~clerk~~ fiscal officer shall be 1504  
immediately placed by the ~~clerk~~ fiscal officer in a depository 1505  
designated by the board. The ~~clerk~~ fiscal officer shall keep an 1506  
account of the funds credited to the board. 1507

The ~~clerk~~ fiscal officer shall render a monthly statement to 1508  
the board showing the revenues and receipts from whatever sources 1509  
derived, the disbursements and the purposes for such 1510  
disbursements, and the assets and liabilities of the board. At the 1511  
end of each fiscal year the ~~clerk~~ fiscal officer shall submit to 1512  
the board, to the state library board and, if requested, to any 1513

granting authority, a complete financial statement showing the 1514  
receipts and expenditures in detail for the entire fiscal year. 1515  
Such financial records shall be open to public inspection at all 1516  
reasonable times. 1517

At the expiration of the term of the ~~clerk~~ fiscal officer or 1518  
before the board of trustees approves the surety of any ~~clerk~~ 1519  
fiscal officer, the board shall require the ~~clerk~~ fiscal officer 1520  
to produce all moneys, bonds, or other securities in the ~~clerk's~~ 1521  
fiscal officer's hands, which shall then be counted by the board 1522  
or a committee of the board, or by a representative of the auditor 1523  
of state. A certificate setting forth the exact amount of such 1524  
money, bonds, or other securities and signed by the persons making 1525  
such count shall be entered upon the records of the board and 1526  
shall be prima-facie evidence that the amount stated in such 1527  
certificate is actually in the treasury at that date. 1528

**Sec. 5705.28.** (A) Except as provided in division (B)(1) or 1529  
(2) of this section or in section 5705.281 of the Revised Code, 1530  
the taxing authority of each subdivision or other taxing unit 1531  
shall adopt a tax budget for the next succeeding fiscal year: 1532

(1) On or before the fifteenth day of January in the case of 1533  
a school district; 1534

(2) On or before the fifteenth day of July in the case of all 1535  
other subdivisions and taxing units. 1536

(B)(1) Before the first day of June in each year, the board 1537  
of trustees of a school library district entitled to participate 1538  
in any appropriation or revenue of a school district or to have a 1539  
tax proposed by the board of education of a school district shall 1540  
file with the board of education of the school district a tax 1541  
budget for the ensuing fiscal year. On or before the fifteenth day 1542  
of July in each year, the board of education of a school district 1543  
to which a school library district tax budget was submitted under 1544

this division shall adopt such tax budget on behalf of the library 1545  
district, but such budget shall not be part of the school 1546  
district's tax budget. 1547

(2)(a) The taxing authority of a taxing unit that does not 1548  
levy a tax is not required to adopt a tax budget pursuant to 1549  
division (A) of this section. Instead, on or before the fifteenth 1550  
day of July each year, such taxing authority shall adopt an 1551  
operating budget for the taxing unit for the ensuing fiscal year. 1552  
The operating budget shall include an estimate of receipts from 1553  
all sources, a statement of all taxing unit expenses that are 1554  
anticipated to occur, and the amount required for debt charges 1555  
during the fiscal year. The operating budget is not required to be 1556  
filed with the county auditor or the county budget commission. 1557

(b) Except for this section and sections 5705.36, 5705.38, 1558  
5705.40, 5705.41, 5705.43, 5705.44, and 5705.45 of the Revised 1559  
Code, a taxing unit that does not levy a tax is not a taxing unit 1560  
for purposes of Chapter 5705. of the Revised Code. Documents 1561  
prepared in accordance with such sections are not required to be 1562  
filed with the county auditor or county budget commission. 1563

(c) The total appropriations from each fund of a taxing unit 1564  
that does not levy a tax shall not exceed the total estimated 1565  
revenue available for expenditures from the fund, and 1566  
appropriations shall be made from each fund only for the purposes 1567  
for which the fund is established. 1568

(C)(1) To assist in the preparation of the tax budget, the 1569  
head of each department, board, commission, and district authority 1570  
entitled to participate in any appropriation or revenue of a 1571  
subdivision shall file with the taxing authority, or in the case 1572  
of a municipal corporation, with its chief executive officer, 1573  
before the forty-fifth day prior to the date on which the budget 1574  
must be adopted, an estimate of contemplated revenue and 1575  
expenditures for the ensuing fiscal year, in such form as is 1576

prescribed by the taxing authority of the subdivision or by the auditor of state. The taxing authority shall include in its budget of expenditures the full amounts requested by district authorities, not to exceed the amount authorized by law, if such authorities may fix the amount of revenue they are to receive from the subdivision. In a municipal corporation in which a special levy for a municipal university has been authorized to be levied in excess of the ten-mill limitation, or is required by the charter of the municipal corporation, the taxing authority shall include an amount not less than the estimated yield of such levy, if such amount is requested by the board of directors of the municipal university.

(2) A county board of mental retardation and developmental disabilities may include within its estimate of contemplated revenue and expenditures a reserve balance account in the community mental retardation and developmental disabilities residential services fund. The account shall contain money that is not needed to pay for current expenses for residential services and supported living but will be needed to pay for expenses for such services in the future or may be needed for unanticipated emergency expenses. On the request of the county board of mental retardation and developmental disabilities, the board of county commissioners shall include such an account in its budget of expenditures and appropriate money to the account from residential service moneys for the county board.

(D) The board of trustees of any public library desiring to participate in the distribution of the county public library ~~and local government support~~ fund shall adopt appropriate rules extending the benefits of the library service of such library to all the inhabitants of the county on equal terms, unless such library service is by law available to all such inhabitants, and shall certify a copy of such rules to the taxing authority with

its estimate of contemplated revenue and expenditures. Where such 1609  
rules have been so certified or where the adoption of such rules 1610  
is not required, the taxing authority shall include in its budget 1611  
of receipts such amounts as are specified by such board as 1612  
contemplated revenue from the county public library ~~and local~~ 1613  
~~government support~~ fund, and in its budget of expenditures the 1614  
full amounts requested therefrom by such board. No library 1615  
association, incorporated or unincorporated, is entitled to 1616  
participate in the proceeds of the county public library ~~and local~~ 1617  
~~government support~~ fund ~~or other public funds~~ unless such 1618  
association both was organized and operating prior to January 1, 1619  
1968, and participated in the distribution of the proceeds of the 1620  
county public library fund prior to December 31, 2005. 1621

**Sec. 5705.281.** (A) Notwithstanding section 5705.28 of the 1622  
Revised Code, the county budget commission, by an affirmative vote 1623  
of a majority of the commission, including an affirmative vote by 1624  
the county auditor, may waive the requirement that the taxing 1625  
authority of a subdivision or other taxing unit adopt a tax budget 1626  
as provided under section 5705.28 of the Revised Code, but shall 1627  
require such a taxing authority to provide such information to the 1628  
commission as may be required by the commission to perform its 1629  
duties under this chapter, including dividing the rates of each of 1630  
the subdivision's or taxing unit's tax levies as provided under 1631  
section 5705.04 of the Revised Code. 1632

(B)(1) Notwithstanding divisions (B)(1) and (D) of section 1633  
5705.28 of the Revised Code, in any county in which a single 1634  
library receives all of the county public library ~~and local~~ 1635  
~~government support~~ fund or receives all of that portion of the 1636  
fund that is distributed to libraries, the county budget 1637  
commission, by an affirmative vote of a majority of the 1638  
commission, including an affirmative vote by the county auditor, 1639  
may waive any or all of the following requirements: 1640

(a) The requirement that the board of trustees of a school library district entitled to participate in any appropriation or revenue of a school district or to have a tax proposed by the board of education of a school district file with the board of education of the school district a tax budget, and the requirement that the board of education adopt the tax budget on behalf of the library district, as provided in division (B)(1) of section 5705.28 of the Revised Code;

(b) The requirement that the board of trustees of a public library desiring to participate in the distribution of the county public library ~~and local government support~~ fund certify to the taxing authority its estimate of contemplated revenue and expenditures, and the requirement that the taxing authority include in its budget of receipts and budget of expenditures the full amounts specified or requested by the board of trustees, as provided in division (D) of section 5705.28 of the Revised Code.

(2) If a county budget commission waives the requirements described in division (B)(1)(a) or (b) of this section, the commission shall require the board of trustees of the school library district or the board of trustees of the public library desiring to participate in the distribution of the county public library ~~and local government support~~ fund to provide to the commission any information the commission may require from the board in order for the commission to perform its duties under this chapter.

**Sec. 5705.31.** The county auditor shall present to the county budget commission the annual tax budgets submitted under sections 5705.01 to 5705.47 of the Revised Code, together with an estimate prepared by the 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

~~public library and local government support~~ fund, the tax rates 1672  
provided under section 5705.281 of the Revised Code if adoption of 1673  
the tax budget was waived under that section, and such other 1674  
information as the commission requests or the tax commissioner 1675  
prescribes. The budget commission shall examine such budget and 1676  
ascertain the total amount proposed to be raised in the county for 1677  
the purposes of each subdivision and other taxing units in the 1678  
county. 1679

The commission shall ascertain that the following levies have 1680  
been properly authorized and, if so authorized, shall approve them 1681  
without modification: 1682

(A) All levies in excess of the ten-mill limitation; 1683

(B) All levies for debt charges not provided for by levies in 1684  
excess of the ten-mill limitation, including levies necessary to 1685  
pay notes issued for emergency purposes; 1686

(C) The levies prescribed by division (B) of sections 742.33 1687  
and 742.34 of the Revised Code; 1688

(D) Except as otherwise provided in this division, a minimum 1689  
levy within the ten-mill limitation for the current expense and 1690  
debt service of each subdivision or taxing unit, which shall equal 1691  
two-thirds of the average levy for current expenses and debt 1692  
service allotted within the fifteen-mill limitation to such 1693  
subdivision or taxing unit during the last five years the 1694  
fifteen-mill limitation was in effect unless such subdivision or 1695  
taxing unit requests an amount requiring a lower rate. Except as 1696  
provided in section 5705.312 of the Revised Code, if the levies 1697  
required in divisions (B) and (C) of this section for the 1698  
subdivision or taxing unit equal or exceed the entire minimum levy 1699  
of the subdivision as fixed, the minimum levies of the other 1700  
subdivisions or taxing units shall be reduced by the commission to 1701  
provide for the levies and an operating levy for the subdivision. 1702

Such additional levy shall be deducted from the minimum levies of 1703  
each of the other subdivisions or taxing units, but the operating 1704  
levy for a school district shall not be reduced below a figure 1705  
equivalent to forty-five per cent of the millage available within 1706  
the ten-mill limitation after all the levies in divisions (B) and 1707  
(C) of this section have been provided for. 1708

If a municipal corporation and a township have entered into 1709  
an annexation agreement under section 709.192 of the Revised Code 1710  
in which they agree to reallocate their shares of the minimum 1711  
levies established under this division and if that annexation 1712  
agreement is submitted along with the annual tax budget of both 1713  
the township and the municipal corporation, then, when determining 1714  
the minimum levy under this division, the auditor shall allocate, 1715  
to the extent possible, the minimum levy for that municipal 1716  
corporation and township in accordance with their annexation 1717  
agreement. 1718

(E) The levies prescribed by section 3709.29 of the Revised 1719  
Code. 1720

Divisions (A) to (E) of this section are mandatory, and 1721  
commissions shall be without discretion to reduce such minimum 1722  
levies except as provided in such divisions. 1723

If any debt charge is omitted from the budget, the commission 1724  
shall include it therein. 1725

**Sec. 5705.32.** (A) The county budget commission shall adjust 1726  
the estimated amounts required from the general property tax for 1727  
each fund, as shown by the tax budgets or other information 1728  
required to be provided under section 5705.281 of the Revised 1729  
Code, so as to bring the tax levies required therefor within the 1730  
limitations specified in sections 5705.01 to 5705.47 of the 1731  
Revised Code, for such levies, but no levy shall be reduced below 1732  
a minimum fixed by law. The commission may revise and adjust the 1733



estimate of balances and receipts from all sources for each fund 1734  
and shall determine the total appropriations that may be made 1735  
therefrom. 1736

(B) The commission shall fix the amount of the county public 1737  
~~library and local government support~~ fund to be distributed to 1738  
each board of public library trustees that has qualified under 1739  
section 5705.28 of the Revised Code for participation in the 1740  
proceeds of such fund. The amount paid to all libraries in the 1741  
county from such fund shall never be a smaller per cent of the 1742  
fund than the average of the percentages of the county's 1743  
classified taxes that were distributed to libraries in 1982, 1983, 1744  
and 1984, as determined by the county auditor. The commission 1745  
shall base the amount for distribution on the needs of such 1746  
library for the construction of new library buildings, parts of 1747  
buildings, improvements, operation, maintenance, or other 1748  
expenses. In determining the needs of each library board of 1749  
trustees, and in calculating the amount to be distributed to any 1750  
library board of trustees on the basis of its needs, the 1751  
commission shall make no reduction in its allocation from the fund 1752  
on account of additional revenues realized by a library from 1753  
increased taxes or service charges voted by its electorate, from 1754  
revenues received through federal or state grants, projects, or 1755  
programs, or from grants from private sources. 1756

(C) Notwithstanding the fact that alternative methods of 1757  
financing such needs are available, after fixing the amount to be 1758  
distributed to libraries, the commission shall fix the amount, if 1759  
any, of the county public library ~~and local government support~~ 1760  
fund to be distributed to each board of township park 1761  
commissioners, the county, and each municipal corporation in 1762  
accordance with the following: 1763

(1) Each municipal corporation in the county shall receive a 1764  
per cent of the remainder that equals the per cent that the county 1765

auditor determines the classified property taxes originating in 1766  
such municipal corporation in 1984 were of the total of all of the 1767  
county's classified property taxes in 1984. The commission may 1768  
deduct from this amount any amount that the budget commission 1769  
allows to the board of township park commissioners of a township 1770  
park district, the boundaries of which are coextensive with or 1771  
contained within the boundaries of the municipal corporation. 1772

(2) The county shall receive a per cent of the remainder that 1773  
equals the per cent that the county auditor determines the 1774  
classified property taxes originating outside of the boundaries of 1775  
municipal corporations in the county in 1984 were of the total of 1776  
all of the county's classified property taxes in 1984. The 1777  
commission may deduct from this amount any amount that the budget 1778  
commission allows to the board of township park commissioners of a 1779  
township park district, the boundaries of which are not 1780  
coextensive with or contained within those of any municipal 1781  
corporation in the county. 1782

(D) The commission shall separately set forth the amounts 1783  
fixed and determined under divisions (B) and (C) of this section 1784  
in the "official certificate of estimated resources," as provided 1785  
in section 5705.35 of the Revised Code, and separately certify 1786  
such amount to the county auditor who shall be guided thereby in 1787  
the distribution of the county public library ~~and local government~~ 1788  
~~support~~ fund for and during the fiscal year. In determining such 1789  
amounts, the commission shall be guided by the estimate certified 1790  
by the tax commissioner and presented by the auditor under section 1791  
5705.31 of the Revised Code, as to the total amount of revenue to 1792  
be received in the county public library ~~and local government~~ 1793  
~~support~~ fund during such fiscal year. 1794

(E)(1) At least five days before the date of any meeting at 1795  
which the budget commission plans to discuss the distribution of 1796  
the county public library ~~and local government support~~ fund, it 1797

shall notify each legislative authority and board of public 1798  
library trustees, county commissioners, and township park 1799  
commissioners eligible to participate in the distribution of the 1800  
fund of the date, time, place, and agenda for the meeting. Any 1801  
legislative authority or board entitled to notice under this 1802  
division may designate an officer or employee of such legislative 1803  
authority or board to whom the commission shall deliver the 1804  
notice. 1805

(2) Before the final determination of the amount to be 1806  
allotted to each subdivision from any source, the commission shall 1807  
permit representatives of each subdivision and of each board of 1808  
public library trustees to appear before it to explain its 1809  
financial needs. 1810

(F) If any public library receives and expends any funds 1811  
allocated to it under this section for the construction of new 1812  
library buildings or parts of buildings, such library shall be 1813  
free and open to the inhabitants of the county in which it is 1814  
located. Any board of library trustees that receives funds under 1815  
this section and section 5747.48 of the Revised Code shall have 1816  
its financial records open for public inspection at all reasonable 1817  
times. 1818

**Sec. 5705.321.** (A) As used in this section: 1819

(1) "City, located wholly or partially in the county, with 1820  
the greatest population" means the city, located wholly or 1821  
partially in the county, with the greatest population residing in 1822  
the county; however, if the county budget commission on or before 1823  
January 1, 1998, adopted an alternative method of apportionment 1824  
that was approved by the city, located partially in the county, 1825  
with the greatest population but not the greatest population 1826  
residing in the county, "city, located wholly or partially in the 1827  
county, with the greatest population" means the city, located 1828

wholly or partially in the county, with the greatest population 1829  
whether residing in the county or not, if this alternative meaning 1830  
is adopted by action of the board of county commissioners and a 1831  
majority of the boards of township trustees and legislative 1832  
authorities of municipal corporations located wholly or partially 1833  
in the county. 1834

(2) "Participating political subdivision" means a municipal 1835  
corporation or township that satisfies all of the following: 1836

(a) It is located wholly or partially in the county. 1837

(b) It is not the city, located wholly or partially in the 1838  
county, with the greatest population. 1839

(c) ~~Library and local government support~~ Public library fund 1840  
moneys are apportioned to it under the county's alternative method 1841  
or formula of apportionment in the current calendar year. 1842

(B) In lieu of the method of apportionment of the county 1843  
public library and local government support fund provided by 1844  
division (C) of section 5705.32 of the Revised Code, the county 1845  
budget commission may provide for the apportionment of the fund 1846  
under an alternative method or on a formula basis as authorized by 1847  
this section. 1848

Except as otherwise provided in division (C) of this section, 1849  
the alternative method of apportionment shall have first been 1850  
approved by all of the following governmental units: the board of 1851  
county commissioners; the legislative authority of the city, 1852  
located wholly or partially in the county, with the greatest 1853  
population; and a majority of the boards of township trustees and 1854  
legislative authorities of municipal corporations, located wholly 1855  
or partially in the county, excluding the legislative authority of 1856  
the city, located wholly or partially in the county, with the 1857  
greatest population. In granting or denying approval for an 1858  
alternative method of apportionment, the board of county 1859

commissioners, boards of township trustees, and legislative 1860  
authorities of municipal corporations shall act by motion. A 1861  
motion to approve shall be passed upon a majority vote of the 1862  
members of a board of county commissioners, board of township 1863  
trustees, or legislative authority of a municipal corporation, 1864  
shall take effect immediately, and need not be published. 1865

Any alternative method of apportionment adopted and approved 1866  
under this division may be revised, amended, or repealed in the 1867  
same manner as it may be adopted and approved. If an alternative 1868  
method of apportionment adopted and approved under this division 1869  
is repealed, the county public library ~~and local government~~ 1870  
~~support~~ fund shall be apportioned among the subdivisions eligible 1871  
to participate in the fund, commencing in the ensuing calendar 1872  
year, under the apportionment provided in divisions (B) and (C) of 1873  
section 5705.32 of the Revised Code, unless the repeal occurs by 1874  
operation of division (C) of this section or a new method for 1875  
apportionment of the fund is provided in the action of repeal. 1876

(C) This division applies only in counties in which the city, 1877  
located wholly or partially in the county, with the greatest 1878  
population has a population of twenty thousand or less and a 1879  
population that is less than fifteen per cent of the total 1880  
population of the county. In such a county, the legislative 1881  
authorities or boards of township trustees of two or more 1882  
participating political subdivisions, which together have a 1883  
population residing in the county that is a majority of the total 1884  
population of the county, each may adopt a resolution to exclude 1885  
the approval otherwise required of the legislative authority of 1886  
the city, located wholly or partially in the county, with the 1887  
greatest population. All of the resolutions to exclude that 1888  
approval shall be adopted not later than the first Monday of 1889  
August of the year preceding the calendar year in which 1890  
distributions are to be made under an alternative method of 1891

apportionment. 1892

A motion granting or denying approval of an alternative 1893  
method of apportionment under this division shall be adopted by a 1894  
majority vote of the members of the board of county commissioners 1895  
and by a majority vote of a majority of the boards of township 1896  
trustees and legislative authorities of the municipal corporations 1897  
located wholly or partially in the county, other than the city, 1898  
located wholly or partially in the county, with the greatest 1899  
population, shall take effect immediately, and need not be 1900  
published. The alternative method of apportionment under this 1901  
division shall be adopted and approved annually, not later than 1902  
the first Monday of August of the year preceding the calendar year 1903  
in which distributions are to be made under it. A motion granting 1904  
approval of an alternative method of apportionment under this 1905  
division repeals any existing alternative method of apportionment, 1906  
effective with distributions to be made from the fund in the 1907  
ensuing calendar year. An alternative method of apportionment 1908  
under this division shall not be revised or amended after the 1909  
first Monday of August of the year preceding the calendar year in 1910  
which distributions are to be made under it. 1911

(D) In determining an alternative method of apportionment 1912  
authorized by this section, the county budget commission may 1913  
include in the method any factor considered to be appropriate and 1914  
reliable, in the sole discretion of the county budget commission. 1915

(E) On the basis of any alternative method of apportionment 1916  
adopted and approved as authorized by this section, as certified 1917  
by the auditor to the county treasurer, the county treasurer shall 1918  
make distribution of the money in the county public library ~~and~~ 1919  
~~local government support~~ fund to each subdivision eligible to 1920  
participate in the fund, and the auditor, when the amount of those 1921  
shares is in the custody of the treasurer in the amounts so 1922  
computed to be due the respective subdivisions, shall at the same 1923

time certify to the tax commissioner the percentage share of the 1924  
county as a subdivision. All money received into the treasury of a 1925  
subdivision from the county public library ~~and local government~~ 1926  
~~support~~ fund in a county treasury shall be paid into the general 1927  
fund and used for the current operating expenses of the 1928  
subdivision. 1929

(F) The actions of the county budget commission taken 1930  
pursuant to this section are final and may not be appealed to the 1931  
board of tax appeals, except on the issues of abuse of discretion 1932  
and failure to comply with the formula. 1933

**Sec. 5705.37.** The taxing authority of any subdivision, or the 1934  
board of trustees of any public library, nonprofit corporation, or 1935  
library association maintaining a free public library that has 1936  
adopted and certified rules under section 5705.28 of the Revised 1937  
Code, that is dissatisfied with any action of the county budget 1938  
commission may, through its fiscal officer, appeal to the board of 1939  
tax appeals within thirty days after the receipt by the 1940  
subdivision of the official certificate or notice of the 1941  
commission's action. In like manner, but through its clerk, ~~the~~ 1942  
~~board of trustees of any public library, nonprofit corporation, or~~ 1943  
~~library association maintaining a free public library that has~~ 1944  
~~adopted and certified rules under section 5705.28 of the Revised~~ 1945  
~~Code,~~ or any park district may appeal to the board of tax appeals. 1946  
An appeal under this section shall be taken by the filing of a 1947  
notice of appeal, either in person or by certified mail, express 1948  
mail, or authorized delivery service as provided in section 1949  
5703.056 of the Revised Code, with the board and with the 1950  
commission. If notice of appeal is filed by certified mail, 1951  
express mail, or authorized delivery service, date of the United 1952  
States postmark placed on the sender's receipt by the postal 1953  
service or the date of receipt recorded by the authorized delivery 1954  
service shall be treated as the date of filing. Upon receipt of 1955

the notice of appeal, the commission, by certified mail, shall 1956  
notify all persons who were parties to the proceeding before the 1957  
commission of the filing of the notice of appeal and shall file 1958  
proof of notice with the board of tax appeals. The secretary of 1959  
the commission shall forthwith certify to the board a transcript 1960  
of the full and accurate record of all proceedings before the 1961  
commission, together with all evidence presented in the 1962  
proceedings or considered by the commission, pertaining to the 1963  
action from which the appeal is taken. The secretary of the 1964  
commission also shall certify to the board any additional 1965  
information that the board may request. 1966

The board of tax appeals, in a de novo proceeding, shall 1967  
forthwith consider the matter presented to the commission, and may 1968  
modify any action of the commission with reference to the budget, 1969  
the estimate of revenues and balances, the allocation of the 1970  
~~public library and local government support~~ fund, or the fixing of 1971  
tax rates. The finding of the board of tax appeals shall be 1972  
substituted for the findings of the commission, and shall be 1973  
certified to the tax commissioner, the county auditor, and the 1974  
taxing authority of the subdivision affected, or to the board of 1975  
public library trustees affected, as the action of the commission 1976  
under sections 5705.01 to 5705.47 of the Revised Code. 1977

This section does not give the board of tax appeals any 1978  
authority to place any tax levy authorized by law within the 1979  
ten-mill limitation outside of that limitation, or to reduce any 1980  
levy below any minimum fixed by law. 1981

**Sec. 5715.36.** (A) Any expense incurred by the tax 1982  
commissioner as to the annual assessment of real property in any 1983  
taxing district shall be paid out of the treasury of the county in 1984  
which such district is located upon presentation of the order of 1985  
the commissioner certifying the amount thereof to the county 1986



auditor, who shall thereupon issue ~~his~~ a warrant therefor upon the 1987  
general fund of the county and direct the warrant to the county 1988  
treasurer, who shall pay the same. All money paid out of the 1989  
county treasury under authority of this division and section 1990  
5703.30 of the Revised Code shall be charged against the proper 1991  
district, and amounts paid by the county shall be retained by the 1992  
auditor from funds due such district at the time of making the 1993  
semiannual distribution of taxes. 1994

(B) Any expense incurred by the board of tax appeals as to 1995  
the hearing of any appeal from a county budget commission with 1996  
respect to the allocation of the local government fund or the 1997  
county public library ~~and local government support~~ fund shall be 1998  
paid out of the treasury of the county involved upon presentation 1999  
of the order of the board certifying the amount thereof to the 2000  
county auditor, who shall thereupon issue ~~his~~ a warrant therefor 2001  
upon the general fund of the county and direct the warrant to the 2002  
county treasurer, who shall pay the same. At the time the local 2003  
government fund or the county public library ~~and local government~~ 2004  
~~support~~ fund is distributed, all money which had been paid out of 2005  
the county treasury for such expenses shall be deducted by the 2006  
county auditor from the fund involved in the appeal. The amount so 2007  
deducted by the county auditor shall be forthwith returned to the 2008  
general fund of the county. 2009

(C) An amount equal to the sum of the expenses incurred by 2010  
the board of tax appeals as to any of the following shall be paid 2011  
out of the general fund of the county in which such property is 2012  
located upon presentation of the order of the board certifying the 2013  
amount thereof to the county auditor, who shall thereupon issue 2014  
~~his~~ a warrant therefor upon the general fund of the county and 2015  
direct the warrant to the county treasurer, who shall pay the 2016  
same: 2017

(1) The hearing of any appeal from a county board of revision 2018

under section 5717.01 of the Revised Code; 2019

(2) An appeal from any finding, computation, determination, 2020  
or order of the tax commissioner made with respect to the 2021  
assessment or exemption of real property under division (B) of 2022  
section 5715.61 and section 5717.02 of the Revised Code. At the 2023  
time of each settlement of taxes under divisions (A) and (C) of 2024  
section 321.24 of the Revised Code, there shall be deducted from 2025  
the taxes included in such settlement and paid into the county 2026  
general fund in the same manner as the fees allowed the county 2027  
treasurer on amounts included in such settlement, the amounts paid 2028  
out under this division since the preceding settlement. Each 2029  
deduction shall be apportioned among the taxing districts within 2030  
which the property that was the subject of the appeal is located 2031  
in proportion to their relative shares of their respective taxes 2032  
included in the settlement. 2033

**Sec. 5719.041.** If the payment of a general personal property 2034  
or classified property tax is not made on or before the last day 2035  
prescribed by section 5719.03 or 5719.031 of the Revised Code, an 2036  
interest charge shall begin to accrue and shall continue until all 2037  
charges are paid, except that no interest charge shall accrue for 2038  
or in the month in which such payment was due under such section 2039  
or under the circumstances and for the period described in 2040  
division (A)(2) of section 5711.33 of the Revised Code or upon 2041  
delinquent taxes that are the subject of a delinquent tax contract 2042  
entered into pursuant to section 5719.05 of the Revised Code. 2043

The interest charge shall accrue against the balance of such 2044  
taxes and any penalty thereon outstanding that remains unpaid on 2045  
the last day of each month and shall be at the rate per calendar 2046  
month, rounded to the nearest one-hundredth of one per cent, equal 2047  
to one-twelfth of the federal short-term rate determined by the 2048  
tax commissioner under section 5703.47 of the Revised Code for the 2049

calendar year that includes the month for which the charge 2050  
accrues. The charge is payable in addition to the unpaid balance 2051  
of taxes and penalties on the day the charge accrues, unless the 2052  
entire balance is sooner paid. 2053

If a delinquent tax contract becomes void, interest shall be 2054  
charged on the day on which the contract becomes void in the 2055  
amount that would have been charged had the delinquent tax 2056  
contract not been entered into and shall thereafter accrue as 2057  
provided in this section. 2058

Interest shall be allowed, at the same rate per calendar 2059  
month as is applicable that month for underpayments, on any 2060  
overpayment of the tax charged on a general personal property or a 2061  
classified property tax duplicate, from the first day of the month 2062  
following the date of the overpayment until the last day of the 2063  
month preceding the date of the refund of the overpayment. The 2064  
interest shall be paid from the fund or funds to which the 2065  
overpayment was credited. 2066

When the county treasurer makes the treasurer's annual 2067  
settlement with the county auditor under division (D) of section 2068  
321.24 of the Revised Code, the treasurer shall certify to the 2069  
auditor a list of all entries on the cumulative delinquent tax 2070  
duplicate that are at that time in the process of being paid in 2071  
installments under a valid delinquent tax contract. For each entry 2072  
that appears on the duplicate that is not on the certified list, 2073  
the auditor shall compute the full amount of interest charges 2074  
which have accrued against such entry since the preceding such 2075  
settlement was made and shall include such charges through the 2076  
last day of the month preceding the current settlement. The 2077  
auditor shall include such amounts on the tax list and duplicates 2078  
prepared by the auditor as prescribed in section 5719.04 of the 2079  
Revised Code unless the interest is less than one dollar, in which 2080  
case it shall not be added to such tax lists and duplicates. 2081

Before the county treasurer accepts any payment of taxes 2082  
against which there are accrued interest charges that do not 2083  
appear on the delinquent tax duplicate, the treasurer shall notify 2084  
the auditor who shall issue a certificate to the treasurer showing 2085  
the amount of such interest charges, and the treasurer shall 2086  
collect the amount shown on such certificate at the time of 2087  
accepting payment of such taxes. If the amount of such interest 2088  
charges is less than one dollar, no such certificate shall be 2089  
issued. In the case of delinquent personal property taxes, the 2090  
interest shown on such certificate shall be credited to the 2091  
undivided general tax fund, and distributed in the same manner as 2092  
the delinquent taxes upon which the interest charges accrued. In 2093  
the case of delinquent classified property taxes, the interest 2094  
shown on such certificate shall be credited to the county public 2095  
~~library and local government support~~ fund and distributed in 2096  
accordance with section 5747.48 of the Revised Code. When the 2097  
payment of delinquent taxes is credited on the tax duplicate the 2098  
treasurer shall make a separate notation thereon indicating the 2099  
amount collected and the index number of the auditor's certificate 2100  
herein prescribed. 2101

**Sec. 5747.03.** (A) All money collected under this chapter 2102  
arising from the taxes imposed by section 5747.02 or 5747.41 of 2103  
the Revised Code shall be credited to the general revenue fund, 2104  
except that the treasurer of state shall, at the beginning of each 2105  
calendar quarter, credit to the Ohio political party fund, 2106  
pursuant to section 3517.16 of the Revised Code, an amount equal 2107  
to the total dollar value realized from the taxpayer exercise of 2108  
the income tax checkoff option on tax forms processed during the 2109  
preceding calendar quarter. 2110

(B)(1) Following the crediting of moneys pursuant to division 2111  
(A) of this section, the remainder deposited in the general 2112  
revenue fund shall be distributed pursuant to division (F) of 2113

section 321.24 and section 323.156 of the Revised Code; to make 2114  
subsidy payments to institutions of higher education from 2115  
appropriations to the Ohio board of regents; to support 2116  
expenditures for programs and services for the mentally ill, 2117  
mentally retarded, developmentally disabled, and elderly; for 2118  
primary and secondary education; for medical assistance; and for 2119  
any other purposes authorized by law, subject to the limitation 2120  
that at least fifty per cent of the income tax collected by the 2121  
state from the tax imposed by section 5747.02 of the Revised Code 2122  
shall be returned pursuant to Section 9 of Article XII, Ohio 2123  
Constitution. 2124

(2) To ensure that such constitutional requirement is 2125  
satisfied the tax commissioner shall, on or before the thirtieth 2126  
day of June of each year, from the best information available to 2127  
the tax commissioner, determine and certify for each county to the 2128  
director of budget and management the amount of taxes collected 2129  
under this chapter from the tax imposed under section 5747.02 of 2130  
the Revised Code during the preceding calendar year that are 2131  
required to be returned to the county by Section 9 of Article XII, 2132  
Ohio Constitution. The director shall provide for payment from the 2133  
general revenue fund to the county in the amount, if any, that the 2134  
sum of the amount so certified for that county exceeds the sum of 2135  
the following: 2136

(a) The sum of the payments from the general revenue fund for 2137  
the preceding calendar year credited to the county's undivided 2138  
income tax fund pursuant to division (F) of section 321.24 and 2139  
section 323.156 of the Revised Code or made directly from the 2140  
general revenue fund to political subdivisions located in the 2141  
county; 2142

(b) The sum of the amounts from the general revenue fund 2143  
distributed in the county during the preceding calendar year for 2144  
subsidy payments to institutions of higher education from 2145

appropriations to the Ohio board of regents; for programs and 2146  
services for mentally ill, mentally retarded, developmentally 2147  
disabled, and elderly persons; for primary and secondary 2148  
education; and for medical assistance. 2149

(c) In the case of payments made by the director under this 2150  
division in 2007, the total amount distributed to the county 2151  
during the preceding calendar year from the local government fund 2152  
and the local government revenue assistance fund, and, in the case 2153  
of payments made by the director under this division in subsequent 2154  
calendar years, the amount distributed to the county from the 2155  
local government fund; 2156

(d) In the case of payments made by the director under this 2157  
division, the total amount distributed to the county during the 2158  
preceding calendar year from the public library ~~and local~~ 2159  
~~government support~~ fund. 2160

Payments under this division shall be credited to the 2161  
county's undivided income tax fund, except that, notwithstanding 2162  
section 5705.14 of the Revised Code, such payments may be 2163  
transferred by the board of county commissioners to the county 2164  
general fund by resolution adopted with the affirmative vote of 2165  
two-thirds of the members thereof. 2166

(C) All payments received in each month from taxes imposed 2167  
under Chapter 5748. of the Revised Code and any penalties or 2168  
interest thereon shall be paid into the school district income tax 2169  
fund, which is hereby created in the state treasury, except that 2170  
an amount equal to the following portion of such payments shall be 2171  
paid into the general school district income tax administrative 2172  
fund, which is hereby created in the state treasury: 2173

(1) One and three-quarters of one per cent of those received 2174  
in fiscal year 1996; 2175

(2) One and one-half per cent of those received in fiscal 2176

year 1997 and thereafter. 2177

Money in the school district income tax administrative fund 2178  
shall be used by the tax commissioner to defray costs incurred in 2179  
administering the school district's income tax, including the cost 2180  
of providing employers with information regarding the rate of tax 2181  
imposed by any school district. Any moneys remaining in the fund 2182  
after such use shall be deposited in the school district income 2183  
tax fund. 2184

All interest earned on moneys in the school district income 2185  
tax fund shall be credited to the fund. 2186

(D)(1)(a) Within thirty days of the end of each calendar 2187  
quarter ending on the last day of March, June, September, and 2188  
December, the director of budget and management shall make a 2189  
payment from the school district income tax fund to each school 2190  
district for which school district income tax revenue was received 2191  
during that quarter. The amount of the payment shall equal the 2192  
balance in the school district's account at the end of that 2193  
quarter. 2194

(b) After a school district ceases to levy an income tax, the 2195  
director of budget and management shall adjust the payments under 2196  
division (D)(1)(a) of this section to retain sufficient money in 2197  
the school district's account to pay refunds. For the calendar 2198  
quarters ending on the last day of March and December of the 2199  
calendar year following the last calendar year the tax is levied, 2200  
the director shall make the payments in the amount required under 2201  
division (D)(1)(a) of this section. For the calendar quarter 2202  
ending on the last day of June of the calendar year following the 2203  
last calendar year the tax is levied, the director shall make a 2204  
payment equal to nine-tenths of the balance in the account at the 2205  
end of that quarter. For the calendar quarter ending on the last 2206  
day of September of the calendar year following the last calendar 2207  
year the tax is levied, the director shall make no payment. For 2208

the second and succeeding calendar years following the last 2209  
calendar year the tax is levied, the director shall make one 2210  
payment each year, within thirty days of the last day of June, in 2211  
an amount equal to the balance in the district's account on the 2212  
last day of June. 2213

(2) Moneys paid to a school district under this division 2214  
shall be deposited in its school district income tax fund. All 2215  
interest earned on moneys in the school district income tax fund 2216  
shall be apportioned by the tax commissioner pro rata among the 2217  
school districts in the proportions and at the times the districts 2218  
are entitled to receive payments under this division. 2219

**Sec. 5747.46.** As used in sections 5747.46 and 5747.47 of the 2220  
Revised Code: 2221

(A) "Year's fund balance" means the amount credited to the 2222  
public library ~~and local government support~~ fund during a calendar 2223  
year. 2224

(B) "Distribution year" means the calendar year during which 2225  
a year's fund balance is distributed under section 5747.47 of the 2226  
Revised Code. 2227

(C) "CPI" means the consumer price index for all urban 2228  
consumers (United States city average, all items), prepared by the 2229  
United States department of labor, bureau of labor statistics. 2230

(D) "Inflation factor" means the quotient obtained by 2231  
dividing the CPI for May of the year preceding the distribution 2232  
year by the CPI for May of the second preceding year. If the ~~the~~ 2233  
quotient so obtained is less than one, the inflation factor shall 2234  
equal one. 2235

(E) "Population" means whichever of the following has most 2236  
recently been issued, as of the first day of June preceding the 2237  
distribution year: 2238



(1) The most recent decennial census figures that include population figures for each county in the state;	2239 2240
(2) The most current issue of "Current Population Reports: Local Population Estimates" issued by the United States bureau of the census that contains population estimates for each county in the state and the state.	2241 2242 2243 2244
(F) "County's equalization ratio for a distribution year" means a percentage computed for that county as follows:	2245 2246
(1) Square the per cent that the county's population is of the state's population;	2247 2248
(2) Divide the product so obtained by the per cent that the county's total entitlement for the preceding year is of all counties' total entitlements for the preceding year;	2249 2250 2251
(3) Divide the quotient so obtained by the sum of the quotients so obtained for all counties.	2252 2253
(G) "Total entitlement" means, with respect to a distribution year, the sum of a county's guaranteed share plus its share of the excess.	2254 2255 2256
(1) "Guaranteed share" means, for a distribution year, the product obtained by multiplying a county's total entitlement for the preceding distribution year by the inflation factor. If the sum of the guaranteed shares for all counties exceeds the year's fund balance, the guaranteed shares of all counties shall be reduced by a percentage that will result in the sum of such guaranteed shares being equal to the year's fund balance.	2257 2258 2259 2260 2261 2262 2263
(2) "Share of excess" means, for a distribution year, the product obtained by multiplying a county's equalization ratio by the difference between the year's fund balance and the sum of the guaranteed shares for all counties. If the sum of the guaranteed shares for all counties exceeds the year's fund balance the share	2264 2265 2266 2267 2268

of the excess for all counties is zero. 2269

(H) "Net distribution" means the sum of the payments made to 2270  
a county's public library ~~and local government support~~ fund during 2271  
a distribution year, adjusted as follows: 2272

(1) If the county received an overpayment during the 2273  
preceding distribution year, add the amount of the overpayment; 2274

(2) If the county received an underpayment during the 2275  
preceding distribution year, deduct the amount of the 2276  
underpayment. 2277

(I) "Overpayment" or "underpayment" for a distribution year 2278  
means the amount by which the net distribution to a county's 2279  
public library ~~and local government support~~ fund during that 2280  
distribution year exceeded or was less than the county's total 2281  
entitlement for that year. 2282

All computations made under this section shall be rounded to 2283  
the nearest one-hundredth of one per cent. 2284

**Sec. 5747.47.** (A)(1) By the twentieth day of July of each 2285  
year, the tax commissioner shall estimate and certify the 2286  
following for each county to its county auditor: 2287

(a) Its guaranteed share of the ensuing year's fund balance; 2288

(b) Its share of the excess of the ensuing year's fund 2289  
balance; 2290

(c) Its total entitlement. 2291

(2) In December and in June following such estimations and 2292  
certifications, the commissioner shall revise such estimates and 2293  
certify such revised estimates to the respective county auditors. 2294

(B) By the tenth day of each month the commissioner shall 2295  
distribute the amount credited to the public library ~~and local~~ 2296  
~~government support~~ fund in the current month under section 131.51 2297

of the Revised Code. The distributions shall be made as follows: 2298

(1) During the first six months of each year, each county 2299  
shall be paid a percentage of the balance that is the same per 2300  
cent that the revised estimate of the county's total entitlement 2301  
certified in December under division (A)(2) of this section is of 2302  
the sum of such revised estimates of the total entitlements for 2303  
all counties. 2304

(2) During the last six months, each county shall be paid a 2305  
percentage of the balance that is the same per cent that the 2306  
revised estimate of the county's total entitlement certified in 2307  
June under division (A)(2) of this section is of the sum of such 2308  
revised estimates of the total entitlements for all counties. 2309

(3) During each of the first six months of each year, the 2310  
payments made to each county shall be adjusted as follows: 2311

(a) If the county received an overpayment during the 2312  
preceding distribution year, reduce the sum of the payments by the 2313  
amount of such overpayment. The reduction shall be apportioned 2314  
over the six months. 2315

(b) If the county received an underpayment during the 2316  
preceding distribution year, increase the sum of the payments by 2317  
the amount of such underpayment. The increase shall be apportioned 2318  
over the six months. 2319

(C) By the twentieth day of December of each year, the tax 2320  
commissioner shall determine and certify to the auditor of each 2321  
county each of the following with respect to the current 2322  
distribution year: 2323

(1) The year's fund balance; 2324

(2) Each county's guaranteed share; 2325

(3) Each county's share of the excess; 2326

(4) Each county's total entitlement; 2327

(5) Each county's net distribution;	2328
(6) The amount by which each county's net distribution exceeded or was less than its total entitlement, which amount shall constitute the county's overpayment or underpayment for purposes of division (B)(3) of this section in the ensuing distribution year.	2329 2330 2331 2332 2333
<b>Sec. 5747.48.</b> On the fifteenth day of each month, the county treasurer shall distribute the balance in the county <u>public library and local government support</u> fund among the county, boards of public library trustees, municipal corporations, and boards of township park commissioners for which the county budget commission has fixed an allocation from the fund in that year in accordance with section 5705.32 of the Revised Code in the same proportions that each such entity's allocation as fixed by the commission is of the total of all such allocations in that year.	2334 2335 2336 2337 2338 2339 2340 2341 2342
All money received into the treasury of a municipal corporation or county shall be credited to the general fund therein, provided that in a municipal corporation there shall be credited to the funds established under division (D) of section 5705.09 of the Revised Code a portion of the total amount to be credited to funds of the municipal corporation, which portion shall be determined by multiplying the total amount to be credited by the percentage that the funds credited under division (D) of said section in 1938 bore to all the funds credited under said section in 1938. If a municipal corporation is in default with respect to the principal or interest of any outstanding notes or bonds, the moneys distributed under this section shall be credited to the funds established under divisions (A), (B), (C), and (D) of section 5705.09 of the Revised Code, in the same proportion in which the funds derived from the levy for the previous year on the general tax list and duplicate are divided.	2343 2344 2345 2346 2347 2348 2349 2350 2351 2352 2353 2354 2355 2356 2357 2358

Sec. 5747.51. (A) On or before the twenty-fifth day of July 2359  
of each year, the tax commissioner shall make and certify to the 2360  
county auditor of each county an estimate of the amount of the 2361  
local government fund to be allocated to the undivided local 2362  
government fund of each county for the ensuing calendar year and 2363  
the estimated amount to be received by the undivided local 2364  
government fund of each county from the taxes levied pursuant to 2365  
section 5707.03 of the Revised Code for the ensuing calendar year. 2366  
2367

(B) At each annual regular session of the county budget 2368  
commission convened pursuant to section 5705.27 of the Revised 2369  
Code, each auditor shall present to the commission the certificate 2370  
of the commissioner, the annual tax budget and estimates, and the 2371  
records showing the action of the commission in its last preceding 2372  
regular session. The estimates shown on the certificate of the 2373  
commissioner of the amount to be allocated from the local 2374  
government fund and the amount to be received from taxes levied 2375  
pursuant to section 5707.03 of the Revised Code shall be combined 2376  
into one total comprising the estimate of the undivided local 2377  
government fund of the county. The commission, after extending to 2378  
the representatives of each subdivision an opportunity to be 2379  
heard, under oath administered by any member of the commission, 2380  
and considering all the facts and information presented to it by 2381  
the auditor, shall determine the amount of the undivided local 2382  
government fund needed by and to be apportioned to each 2383  
subdivision for current operating expenses, as shown in the tax 2384  
budget of the subdivision. This determination shall be made 2385  
pursuant to divisions (C) to (I) of this section, unless the 2386  
commission has provided for a formula pursuant to section 5747.53 2387  
of the Revised Code. 2388

Nothing in this section prevents the budget commission, for 2389  
the purpose of apportioning the undivided local government fund, 2390

from inquiring into the claimed needs of any subdivision as stated 2391  
in its tax budget, or from adjusting claimed needs to reflect 2392  
actual needs. For the purposes of this section, "current operating 2393  
expenses" means the lawful expenditures of a subdivision, except 2394  
those for permanent improvements and except payments for interest, 2395  
sinking fund, and retirement of bonds, notes, and certificates of 2396  
indebtedness of the subdivision. 2397

(C) The commission shall determine the combined total of the 2398  
estimated expenditures, including transfers, from the general fund 2399  
and any special funds other than special funds established for 2400  
road and bridge; street construction, maintenance, and repair; 2401  
state highway improvement; and gas, water, sewer, and electric 2402  
public utilities operated by a subdivision, as shown in the 2403  
subdivision's tax budget for the ensuing calendar year. 2404

(D) From the combined total of expenditures calculated 2405  
pursuant to division (C) of this section, the commission shall 2406  
deduct the following expenditures, if included in these funds in 2407  
the tax budget: 2408

(1) Expenditures for permanent improvements as defined in 2409  
division (E) of section 5705.01 of the Revised Code; 2410

(2) In the case of counties and townships, transfers to the 2411  
road and bridge fund, and in the case of municipalities, transfers 2412  
to the street construction, maintenance, and repair fund and the 2413  
state highway improvement fund; 2414

(3) Expenditures for the payment of debt charges; 2415

(4) Expenditures for the payment of judgments. 2416

(E) In addition to the deductions made pursuant to division 2417  
(D) of this section, revenues accruing to the general fund and any 2418  
special fund considered under division (C) of this section from 2419  
the following sources shall be deducted from the combined total of 2420  
expenditures calculated pursuant to division (C) of this section: 2421

(1) Taxes levied within the ten-mill limitation, as defined	2422
in section 5705.02 of the Revised Code;	2423
(2) The budget commission allocation of estimated county	2424
<del>public library and local government support</del> fund revenues to be	2425
distributed pursuant to section 5747.48 of the Revised Code;	2426
(3) Estimated unencumbered balances as shown on the tax	2427
budget as of the thirty-first day of December of the current year	2428
in the general fund, but not any estimated balance in any special	2429
fund considered in division (C) of this section;	2430
(4) Revenue, including transfers, shown in the general fund	2431
and any special funds other than special funds established for	2432
road and bridge; street construction, maintenance, and repair;	2433
state highway improvement; and gas, water, sewer, and electric	2434
public utilities, from all other sources except those that a	2435
subdivision receives from an additional tax or service charge	2436
voted by its electorate or receives from special assessment or	2437
revenue bond collection. For the purposes of this division, where	2438
the charter of a municipal corporation prohibits the levy of an	2439
income tax, an income tax levied by the legislative authority of	2440
such municipal corporation pursuant to an amendment of the charter	2441
of that municipal corporation to authorize such a levy represents	2442
an additional tax voted by the electorate of that municipal	2443
corporation. For the purposes of this division, any measure	2444
adopted by a board of county commissioners pursuant to section	2445
322.02, 324.02, 4504.02, or 5739.021 of the Revised Code,	2446
including those measures upheld by the electorate in a referendum	2447
conducted pursuant to section 322.021, 324.021, 4504.021, or	2448
5739.022 of the Revised Code, shall not be considered an	2449
additional tax voted by the electorate.	2450
Subject to division (G) of section 5705.29 of the Revised	2451
Code, money in a reserve balance account established by a county,	2452
township, or municipal corporation under section 5705.13 of the	2453

Revised Code shall not be considered an unencumbered balance or 2454  
revenue under division (E)(3) or (4) of this section. Money in a 2455  
reserve balance account established by a township under section 2456  
5705.132 of the Revised Code shall not be considered an 2457  
unencumbered balance or revenue under division (E)(3) or (4) of 2458  
this section. 2459

If a county, township, or municipal corporation has created 2460  
and maintains a nonexpendable trust fund under section 5705.131 of 2461  
the Revised Code, the principal of the fund, and any additions to 2462  
the principal arising from sources other than the reinvestment of 2463  
investment earnings arising from such a fund, shall not be 2464  
considered an unencumbered balance or revenue under division 2465  
(E)(3) or (4) of this section. Only investment earnings arising 2466  
from investment of the principal or investment of such additions 2467  
to principal may be considered an unencumbered balance or revenue 2468  
under those divisions. 2469

(F) The total expenditures calculated pursuant to division 2470  
(C) of this section, less the deductions authorized in divisions 2471  
(D) and (E) of this section, shall be known as the "relative need" 2472  
of the subdivision, for the purposes of this section. 2473

(G) The budget commission shall total the relative need of 2474  
all participating subdivisions in the county, and shall compute a 2475  
relative need factor by dividing the total estimate of the 2476  
undivided local government fund by the total relative need of all 2477  
participating subdivisions. 2478

(H) The relative need of each subdivision shall be multiplied 2479  
by the relative need factor to determine the proportionate share 2480  
of the subdivision in the undivided local government fund of the 2481  
county; provided, that the maximum proportionate share of a county 2482  
shall not exceed the following maximum percentages of the total 2483  
estimate of the undivided local government fund governed by the 2484  
relationship of the percentage of the population of the county 2485



that resides within municipal corporations within the county to 2486  
the total population of the county as reported in the reports on 2487  
population in Ohio by the department of development as of the 2488  
twentieth day of July of the year in which the tax budget is filed 2489  
with the budget commission: 2490  
Percentage of Percentage share 2491  
municipal population of the county 2492  
within the county: shall not exceed: 2493  
Less than forty-one per cent Sixty per cent 2494  
Forty-one per cent or more but less 2495  
than eighty-one per cent Fifty per cent 2496  
Eighty-one per cent or more Thirty per cent 2497

Where the proportionate share of the county exceeds the 2498  
limitations established in this division, the budget commission 2499  
shall adjust the proportionate shares determined pursuant to this 2500  
division so that the proportionate share of the county does not 2501  
exceed these limitations, and it shall increase the proportionate 2502  
shares of all other subdivisions on a pro rata basis. In counties 2503  
having a population of less than one hundred thousand, not less 2504  
than ten per cent shall be distributed to the townships therein. 2505

(I) The proportionate share of each subdivision in the 2506  
undivided local government fund determined pursuant to division 2507  
(H) of this section for any calendar year shall not be less than 2508  
the product of the average of the percentages of the undivided 2509  
local government fund of the county as apportioned to that 2510  
subdivision for the calendar years 1968, 1969, and 1970, 2511  
multiplied by the total amount of the undivided local government 2512  
fund of the county apportioned pursuant to former section 5735.23 2513  
of the Revised Code for the calendar year 1970. For the purposes 2514  
of this division, the total apportioned amount for the calendar 2515  
year 1970 shall be the amount actually allocated to the county in 2516  
1970 from the state collected intangible tax as levied by section 2517

5707.03 of the Revised Code and distributed pursuant to section 2518  
5725.24 of the Revised Code, plus the amount received by the 2519  
county in the calendar year 1970 pursuant to division (B)(1) of 2520  
former section 5739.21 of the Revised Code, and distributed 2521  
pursuant to former section 5739.22 of the Revised Code. If the 2522  
total amount of the undivided local government fund for any 2523  
calendar year is less than the amount of the undivided local 2524  
government fund apportioned pursuant to former section 5739.23 of 2525  
the Revised Code for the calendar year 1970, the minimum amount 2526  
guaranteed to each subdivision for that calendar year pursuant to 2527  
this division shall be reduced on a basis proportionate to the 2528  
amount by which the amount of the undivided local government fund 2529  
for that calendar year is less than the amount of the undivided 2530  
local government fund apportioned for the calendar year 1970. 2531

(J) On the basis of such apportionment, the county auditor 2532  
shall compute the percentage share of each such subdivision in the 2533  
undivided local government fund and shall at the same time certify 2534  
to the tax commissioner the percentage share of the county as a 2535  
subdivision. No payment shall be made from the undivided local 2536  
government fund, except in accordance with such percentage shares. 2537

Within ten days after the budget commission has made its 2538  
apportionment, whether conducted pursuant to section 5747.51 or 2539  
5747.53 of the Revised Code, the auditor shall publish a list of 2540  
the subdivisions and the amount each is to receive from the 2541  
undivided local government fund and the percentage share of each 2542  
subdivision, in a newspaper or newspapers of countywide 2543  
circulation, and send a copy of such allocation to the tax 2544  
commissioner. 2545

The county auditor shall also send by certified mail, return 2546  
receipt requested, a copy of such allocation to the fiscal officer 2547  
of each subdivision entitled to participate in the allocation of 2548  
the undivided local government fund of the county. This copy shall 2549

constitute the official notice of the commission action referred 2550  
to in section 5705.37 of the Revised Code. 2551

All money received into the treasury of a subdivision from 2552  
the undivided local government fund in a county treasury shall be 2553  
paid into the general fund and used for the current operating 2554  
expenses of the subdivision. 2555

If a municipal corporation maintains a municipal university, 2556  
such municipal university, when the board of trustees so requests 2557  
the legislative authority of the municipal corporation, shall 2558  
participate in the money apportioned to such municipal corporation 2559  
from the total local government fund, however created and 2560  
constituted, in such amount as requested by the board of trustees, 2561  
provided such sum does not exceed nine per cent of the total 2562  
amount paid to the municipal corporation. 2563

If any public official fails to maintain the records required 2564  
by sections 5747.50 to 5747.55 of the Revised Code or by the rules 2565  
issued by the tax commissioner, the auditor of state, or the 2566  
treasurer of state pursuant to such sections, or fails to comply 2567  
with any law relating to the enforcement of such sections, the 2568  
local government fund money allocated to the county may be 2569  
withheld until such time as the public official has complied with 2570  
such sections or such law or the rules issued pursuant thereto. 2571

**Sec. 5747.52.** The form used by the county budget commission 2572  
to calculate subdivision shares of the undivided local government 2573  
fund as apportioned pursuant to section 5747.51 of the Revised 2574  
Code shall be as follows: 2575

Calculation of (name of subdivision) share of 2576  
undivided local government fund for 2577  
(name of county) county 2578

Authorized expenditure for subdivision Total 2579  
1. Estimated expenditures from general fund ..... 2580

2. Estimated expenditures from special funds other than those established for road and bridge, street construction, maintenance, and state highway improvement, and for gas, water, sewer, and electric public utilities	.....	2581
3. Total	.....	2582
Deductions from authorized expenditures		2583
4. Expenditures for permanent improvements	.....	2584
5. Transfers to road and bridge fund (counties and townships only)	.....	2585
6. Transfers to street construction, maintenance, and repair, and state highway improvements funds	.....	2586
7. Expenditures for the payment of debt charges	.....	2587
8. Expenditures for the payment of judgments	.....	2588
9. Taxes levied inside the "ten-mill limitation"	.....	2589
10. Budget commission allocation of estimated county <u>public library</u> and <del>local government support</del> fund revenues	.....	2590
11. Estimated unencumbered balances as of December 31 of current year in the general funds as stated in the tax budget	.....	2591
12. Revenue, including transfers, shown in the general fund or any special funds other than special funds established for road and bridge, street construction, maintenance, and repair, and state highway improvement, and for gas, water, sewer, and electric public utilities, from all other sources except those from additional taxes or service charges voted by electorate as defined in division (E)(4) of section 5747.51 of the Revised Code, and except revenue from special assessment and revenue bond collections	.....	2592
13. Total	.....	2593
Calculation of subdivision share		2594

14. Relative need of subdivision (line 3 less line 13)	.....	2595
15. Relative need factor for county (total estimate of undivided local government fund divided by total relative need of all participating subdivisions)	.....	2596
16. Proportionate share of subdivision (relative need of subdivision multiplied by relative need factor)	.....	2597
17. After any adjustments necessary to comply with statutory maximum share allowable to county	.....	2598
18. After any adjustments necessary to comply with statutory minimum share allowable to townships	.....	2599
19. After any adjustments necessary to comply with minimum guarantee in division (I) of section 5747.51 of the Revised Code	.....	2600
20. Proportionate share of subdivision (line 16, 17, 18, or 19, whichever is appropriate)	.....	2601

**Section 2.** That existing sections 127.14, 131.18, 131.44, 131.51, 133.10, 135.35, 135.352, 149.411, 321.08, 3375.05, 3375.121, 3375.32, 3375.35, 3375.36, 3375.37, 3375.38, 3375.39, 3375.40, 3375.404, 3375.41, 3375.42, 3375.85, 3375.91, 3375.92, 5705.28, 5705.281, 5705.31, 5705.32, 5705.321, 5705.37, 5715.36, 5719.041, 5747.03, 5747.46, 5747.47, 5747.48, 5747.51, and 5747.52 of the Revised Code are hereby repealed.

**Section 3.** On and after the effective date of this act, references to the Library and Local Government Support Fund, wherever they are encountered, shall be read as if they were references to the Public Library Fund.

On and after the effective date of this act, references to a County Library and Local Government Support Fund, wherever they are encountered, shall be read as if they were references to a County Public Library Fund.

Section 4.	That Section 323.10 of H.B. 119 of the 127th			2617
	General Assembly be amended to read as follows:			2618
<b>Sec. 323.10.</b>	<b>LIB STATE LIBRARY BOARD</b>			2619
	General Revenue Fund			2620
GRF 350-321	Operating Expenses	\$ 6,298,677	\$ 6,298,677	2621
GRF 350-400	Ohio Public Library	\$ 4,330,000	\$ 4,330,000	2622
	Information Network			
GRF 350-401	Ohioana Rental	\$ 124,816	\$ 124,816	2623
	Payments			
GRF 350-501	Library for the	\$ 535,615	\$ 535,615	2624
	Blind-Cincinnati			
GRF 350-502	Regional Library	\$ 1,010,441	\$ 1,010,441	2625
	Systems			
GRF 350-503	Library for the	\$ 805,642	\$ 805,642	2626
	Blind-Cleveland			
TOTAL GRF	General Revenue Fund	\$ 13,105,191	\$ 13,105,191	2627
	General Services Fund Group			2628
139 350-602	Intra-Agency Service	\$ 9,000	\$ 9,000	2629
	Charges			
4S4 350-604	Ohio Public Library	\$ 3,000,000	\$ 3,000,000	2630
	Information Network			
	Technology			
459 350-602	Library Service	\$ 2,708,092	\$ 2,708,092	2631
	Charges			
TOTAL GSF	General Services			2632
Fund Group		\$ 5,717,092	\$ 5,717,092	2633
	Federal Special Revenue Fund Group			2634
313 350-601	LSTA Federal	\$ 5,691,792	\$ 5,691,792	2635
TOTAL FED	Federal Special Revenue			2636
Fund Group		\$ 5,691,792	\$ 5,691,792	2637

TOTAL ALL BUDGET FUND GROUPS	\$	24,514,075	\$	24,514,075	2638
OHIOANA RENTAL PAYMENTS					2639
The foregoing appropriation item 350-401, Ohioana Rental					2640
Payments, shall be used to pay the rental expenses of the Martha					2641
Kinney Cooper Ohioana Library Association pursuant to section					2642
3375.61 of the Revised Code.					2643
LIBRARY FOR THE BLIND-CINCINNATI					2644
The foregoing appropriation item 350-501, Library for the					2645
Blind-Cincinnati, shall be used for the Talking Book program,					2646
which assists the blind and disabled.					2647
REGIONAL LIBRARY SYSTEMS					2648
The foregoing appropriation item 350-502, Regional Library					2649
Systems, shall be used to support regional library systems					2650
eligible for funding under sections 3375.83 and 3375.90 of the					2651
Revised Code.					2652
LIBRARY FOR THE BLIND-CLEVELAND					2653
The foregoing appropriation item 350-503, Library for the					2654
Blind-Cleveland, shall be used for the Talking Book program, which					2655
assists the blind and disabled.					2656
OHIO PUBLIC LIBRARY INFORMATION NETWORK					2657
<u>(A)</u> The foregoing appropriation items 350-604, Ohio Public					2658
Library Information Network Technology, and 350-400, Ohio Public					2659
Library Information Network, shall be used for an information					2660
telecommunications network linking public libraries in the state					2661
and such others as may <del>be certified as participants by</del> <u>participate</u>					2662
<u>in</u> the Ohio Public Library Information Network <del>Board</del> <u>(OPLIN)</u> .					2663
<del>The Ohio Public Library Information Network Board shall</del>					2664
<del>consist of eleven members appointed by the State Library Board</del>					2665
<del>from among the staff of public libraries and past and present</del>					2666
<del>members of boards of trustees of public libraries, based on the</del>					2667

~~recommendations of the Ohio library community. The Ohio Public  
Library Information Network Board, in consultation with the State  
Library, shall develop a plan of operations for the network. The  
board of Trustees created under section 3375.65 of the Revised  
Code may make decisions regarding use of the foregoing  
appropriation items 350-400, Ohio Public Library Information  
Network, and 350-604, Ohio Public Library Information Network  
Technology, may receive and expend grants to carry out the  
operations of the network in accordance with state law and the  
authority to appoint and fix the compensation of a director and  
necessary staff. The State Library shall be the fiscal agent for  
the network and shall have fiscal accountability for the  
expenditure of funds. The Ohio Public Library Information Network  
Board members shall be reimbursed for actual travel and necessary  
expenses incurred in carrying out their responsibilities.~~

~~In order to limit access to obscene and illegal materials  
through internet use at Ohio Public Library Information Network  
(OPLIN) terminals, local libraries with OPLIN computer terminals  
shall adopt policies that control access to obscene and illegal  
materials. These policies may include use of technological systems  
to select or block certain internet access. The OPLIN shall  
condition provision of its funds, goods, and services on  
compliance with these policies. The OPLIN Board shall also adopt  
and communicate specific recommendations to local libraries on  
methods to control such improper usage. These methods may include  
each library implementing a written policy controlling such  
improper use of library terminals and requirements for parental  
involvement or written authorization for juvenile internet usage.~~

(B) Of the foregoing appropriation item 350-400, Ohio Public  
Library Information Network, up to \$100,000 in each fiscal year  
shall be used to help local libraries purchase or maintain filters  
to screen out obscene and illegal internet materials.



The OPLIN Board shall research and assist or advise local libraries with regard to emerging technologies and methods that may be effective means to control access to obscene and illegal materials. The OPLIN Executive Director shall biannually provide written reports to the Governor, the Speaker and Minority Leader of the House of Representatives, and the President and Minority Leader of the Senate on any steps being taken by OPLIN and public libraries in the state to limit and control such improper usage as well as information on technological, legal, and law enforcement trends nationally and internationally affecting this area of public access and service.

(C) The Ohio Public Library Information Network, INFOhio, and OhioLINK shall, to the extent feasible, coordinate and cooperate in their purchase or other acquisition of the use of electronic databases for their respective users and shall contribute funds in an equitable manner to such effort.

**Section 5.** That existing Section 323.10 of H.B. 119 of the 127th General Assembly is hereby repealed.

**Section 6.** Section 3375.41 of the Revised Code is presented in this act as a composite of the section as amended by both Am. Sub. H.B. 95 and Am. Sub. S.B. 55 of the 125th General Assembly. Section 5705.31 of the Revised Code is presented in this act as a composite of the section as amended by both H.B. 129 and S.B. 5 of the 124th General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite of each such section is the resulting version of the section in effect prior to the effective date of the section as presented in this act.

2700  
2701  
2702  
2703  
2704  
2705  
2706  
2707  
2708  
2709  
2710  
2711  
2712  
2713  
2714  
2715  
2716  
2717  
2718  
2719  
2720  
2721  
2722  
2723  
2724  
2725  
2726  
2727  
2728  
2729