

**As Introduced**

**130th General Assembly  
Regular Session  
2013-2014**

**H. B. No. 4**

**Representatives Stautberg, Blessing**

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**A B I L L**

To amend sections 189.04, 189.05, 189.06, and 189.08 1  
and to enact section 189.041 of the Revised Code 2  
to establish the Local Government Performance 3  
Measurement Grant Program. 4

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

**Section 1.** That sections 189.04, 189.05, 189.06, and 189.08 5  
be amended and section 189.041 of the Revised Code be enacted to 6  
read as follows: 7

**Sec. 189.04.** (A) The local government innovation council 8  
shall award loans to a qualified political subdivision or a 9  
qualified group of political subdivisions to be used for the 10  
purchase of equipment, facilities, or systems or for 11  
implementation costs. 12

Loans made under division (A) of this section shall be repaid 13  
by recipients using savings achieved from the innovation project. 14

(B) Up to twenty per cent of the funds in the local 15  
government innovation fund, established in section 189.05 of the 16  
Revised Code, may be awarded by the council as grants to political 17  
subdivisions for use in process improvement or implementation of 18  
innovation project awards, except for local government performance 19  
measurement grants awarded under section 189.041 of the Revised 20

Code. 21

(C) In every two fiscal years, the council may award one million dollars from the local government innovation fund, established in section 189.05 of the Revised Code, as local government performance measurement grants under section 189.041 of the Revised Code. 22  
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(D) The council shall award not more than one hundred thousand dollars in total grants and not more than one hundred thousand dollars in total loans to an individual political subdivision per innovation project under this section, excluding local government performance measurement grants awarded under section 189.041 of the Revised Code. For an innovation project involving a qualified group of political subdivisions, the council shall award, in total grants and loans, not more than five hundred thousand dollars, and the average amount per political subdivision shall not exceed one hundred thousand dollars. 27  
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**Sec. 189.041.** (A) The local government innovation council shall award local government performance measurement grants to political subdivisions to pay the necessary expenses of participation in the center for performance measurement program of the international city/county management association. A political subdivision may use moneys awarded under this section only for the following purposes: 37  
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(1) To pay the fee to the international city/county management association to enroll the political subdivision in the program; 44  
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(2) To pay employees of the political subdivision for the hours of work required to receive training to participate in the program and to gather and submit data to the center for performance measurement for the purpose of participation in the program; 47  
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(3) To pay an independent contractor to receive training to participate in the program and to gather and submit data to the center for performance measurement for the purpose of participation in the program; and 52  
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(4) To pay for necessary equipment, including computer equipment and software, for the political subdivision to receive training to participate in the program and to gather and submit data to the center for performance measurement for the purpose of participation in the program, if the political subdivision does not already possess such equipment. 56  
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(B)(1) All political subdivisions of the state are eligible to apply for a grant under this section. A political subdivision shall submit an application for a local government performance measurement grant to the council on a form specified by the council. The form shall require the political subdivision to provide a detailed estimate of the necessary expenses for the political subdivision to participate in the program. 62  
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(2) A political subdivision that is awarded funds under this section shall not be required to contribute matching funds toward the cost of participation in the program. 69  
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(3) The council shall award grants under this section in the order in which the council receives each properly completed application form, and in the amount reasonably requested in the application. 72  
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(C)(1) The council shall award not more than ten thousand dollars in every two fiscal years to a political subdivision under this section. 76  
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(2) After the end of each fiscal year in which a political subdivision has been awarded a grant under this section, the political subdivision shall do both of the following: 79  
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(a) Prepare and submit to the council, on a form prescribed 82

by the council, an itemized statement of the grant moneys that 83  
were expended and the purposes for which those moneys were 84  
expended. 85

(b) Submit to the council any grant moneys awarded under this 86  
section that remain unexpended. The council shall deposit all 87  
unexpended moneys in the state treasury to the credit of the local 88  
government innovation fund created in section 189.05 of the 89  
Revised Code. 90

**Sec. 189.05.** Funds for awards made by the local government 91  
innovation council shall be made from the local government 92  
innovation fund, which is hereby created in the state treasury. 93  
The fund shall consist of moneys appropriated to it, repayments of 94  
principal and interest on loans made from the fund, unexpended 95  
grant moneys submitted to the council under division (C)(2)(a) of 96  
section 189.041 of the Revised Code, and any grants or donations 97  
received from nonpublic entities. Interest earned on the money in 98  
the fund shall be credited to the fund. 99

**Sec. 189.06.** (A) All political subdivisions of the state are 100  
eligible to apply for awards under the local government innovation 101  
program. ~~Applications~~ Except for applications submitted for a 102  
local government performance measurement grant under section 103  
189.041 of the Revised Code, applications shall be submitted to 104  
the department of development on a form specified by the director 105  
of development. The department shall provide the application to 106  
the local government innovation council for evaluation and 107  
selection. 108

~~The~~ Except as provided in section 189.041 of the Revised 109  
Code, the local government innovation council shall award loans 110  
and grants under the program in accordance with a competitive 111  
process to be developed by the council. 112

(B) Not later than December 31, 2011, the council shall 113  
establish criteria for evaluating proposals and making awards to 114  
political subdivisions, other than awards made under section 115  
189.041 of the Revised Code. The criteria shall be developed in 116  
consultation with nonpublic entities involved in local government 117  
issues, state institutions of higher education, and the department 118  
of development, as determined by the council. The criteria shall 119  
include a requirement that at least one of the political 120  
subdivisions that is a party to the proposal provide matching 121  
funds. The matching funds may be provided by a nonpublic entity. 122  
The criteria for evaluating proposals may include the following 123  
provisions: 124

(1) The expected return on investment, based on the ratio of 125  
expected savings; 126

(2) The number of participating entities in the proposal; 127

(3) The probability of the proposal's success; 128

(4) The percentage of local matching funds available; 129

(5) The ability to replicate the proposal in other political 130  
subdivisions; 131

(6) Whether the proposal is part of a larger consolidation 132  
effort by the applicant or applicants; 133

(7) Whether the proposal is to implement performance audit or 134  
other audit recommendations under Chapter 117. of the Revised 135  
Code; 136

(8) Whether the applicant has successfully completed an 137  
innovation project in the past. 138

**Sec. 189.08.** (A) Starting not later than March 1, 2012, the 139  
local government innovation council shall begin evaluating 140  
applications and proposals received under section 189.041 of the 141  
Revised Code and from the department of development for awards to 142

political subdivisions. Not later than July 1, 2012, the council 143  
shall make its first round of awards to the political 144  
subdivisions. 145

(B) After making the first round of awards, the council shall 146  
evaluate proposals and make awards on a quarterly basis, or on 147  
another schedule determined by the council, with the council 148  
determining the funding levels for each round of awards. 149

(C) When making awards from the local government innovation 150  
fund created in section 189.05 of the Revised Code, except for 151  
grants awarded under section 189.041 of the Revised Code, the 152  
funds awarded across all rounds shall be allocated as follows: 153

(1) At least thirty per cent to political subdivisions that 154  
are not counties and have a population of less than 20,000 155  
residents as determined in the decennial census conducted in 2010 156  
or counties with a population of less than 235,000 residents as 157  
determined in the decennial census conducted in 2010; 158

(2) At least thirty per cent to political subdivisions that 159  
are not counties and have a population of 20,000 residents or more 160  
as determined in the decennial census conducted in 2010 or 161  
counties with a population of 235,000 residents or more as 162  
determined in the decennial census conducted in 2010. 163

If a proposal includes participants from both divisions 164  
(C)(1) and (2) of this section, the award may be drawn from either 165  
or both tiers in the local government innovation fund. 166

**Section 2.** That existing sections 189.04, 189.05, 189.06, and 167  
189.08 of the Revised Code are hereby repealed. 168