

As Introduced

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

H. B. No. 571

Representative Rogers

Cosponsor: Representative Hagan, R.

—

A B I L L

To amend sections 9.65, 319.301, 505.43, 505.51, 1
742.33, 742.34, and 5705.26 and to enact section 2
5705.73 of the Revised Code to authorize 3
subdivisions to levy a fixed-sum emergency 4
property tax for police, fire, or emergency 5
medical services purposes. 6

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

Section 1. That sections 9.65, 319.301, 505.43, 505.51, 7
742.33, 742.34, and 5705.26 be amended and section 5705.73 of the 8
Revised Code be enacted to read as follows: 9

Sec. 9.65. (A) A board of township trustees, a board of fire 10
district trustees of a joint fire district, or the legislative 11
authority of a municipal corporation may establish, by resolution 12
or ordinance, as appropriate, an annuity program for the volunteer 13
fire fighters serving the political subdivision, including those 14
affiliated with a private entity that provides fire-fighting or 15
emergency medical services. The program may permit the board or 16
the legislative authority to contract for, purchase, or otherwise 17
procure from an insurer or insurers licensed to do business by 18
this state an annuity for such fire fighters. The program may also 19

permit the board or the legislative authority at any time to 20
cancel or otherwise terminate an annuity with any particular 21
insurer or insurers. The board or the legislative authority may 22
pay all or any portion of the cost, premium, or charge of the 23
annuity. The board or the legislative authority may create a fund 24
in the treasury of the township, the joint fire district, or the 25
municipal corporation, as appropriate, for the annuity program. 26
The resolution or ordinance creating the program shall include a 27
plan to assure the proper administration and operation of the 28
program. The plan shall include, but not be limited to, all of the 29
following: 30

(1) The requirements a person must meet in order to be 31
eligible to participate in the program; 32

(2) The requirements an eligible person must meet annually in 33
order to participate in the program; 34

(3) A requirement that an audit of the accounts, financial 35
reports, records, and files pertaining to the program be performed 36
in the same manner and with the same frequency that an audit of a 37
public office is performed under section 117.11 of the Revised 38
Code. The audit required under division (A)(3) of this section 39
shall be in addition to and separate from any audit of a township, 40
joint fire district, or municipal corporation required under 41
section 117.11 of the Revised Code but may be performed at the 42
same time as such an audit. 43

(4) Provisions for termination of the program. 44

(B) A political subdivision that has established an annuity 45
program under division (A) of this section may appropriate general 46
revenue fund moneys of the political subdivision not appropriated 47
for any other purpose to the annuity program and may use moneys 48
raised under section 505.37, 505.371, ~~or~~ 505.39, or 5705.73 or 49
under division (I) or (U) of section 5705.19 of the Revised Code 50

for the annuity program. Income from the investment of moneys in 51
any fund established in the treasury of a political subdivision 52
for the annuity program shall be paid into the annuity fund. 53

(C) As used in this section: 54

(1) "Volunteer fire fighter" means a person who performs 55
service as a fire fighter, or who performs emergency medical 56
service, on a less than full-time basis for a political 57
subdivision. 58

(2) "Political subdivision" means a municipal corporation, a 59
township, a township fire district, or a joint fire district. 60

Sec. 319.301. (A) The reductions required by division (D) of 61
this section do not apply to any of the following: 62

(1) Taxes levied at whatever rate is required to produce a 63
specified amount of tax money, including a tax levied under 64
section 5705.199, 5705.211, 5705.73, or 5748.09 of the Revised 65
Code, or an amount to pay debt charges; 66

(2) Taxes levied within the one per cent limitation imposed 67
by Section 2 of Article XII, Ohio Constitution; 68

(3) Taxes provided for by the charter of a municipal 69
corporation. 70

(B) As used in this section: 71

(1) "Real property" includes real property owned by a 72
railroad. 73

(2) "Carryover property" means all real property on the 74
current year's tax list except: 75

(a) Land and improvements that were not taxed by the district 76
in both the preceding year and the current year; 77

(b) Land and improvements that were not in the same class in 78
both the preceding year and the current year. 79

(3) "Effective tax rate" means with respect to each class of property:	80 81
(a) The sum of the total taxes that would have been charged and payable for current expenses against real property in that class if each of the district's taxes were reduced for the current year under division (D)(1) of this section without regard to the application of division (E)(3) of this section divided by	82 83 84 85 86
(b) The taxable value of all real property in that class.	87
(4) "Taxes charged and payable" means the taxes charged and payable prior to any reduction required by section 319.302 of the Revised Code.	88 89 90
(C) The tax commissioner shall make the determinations required by this section each year, without regard to whether a taxing district has territory in a county to which section 5715.24 of the Revised Code applies for that year. Separate determinations shall be made for each of the two classes established pursuant to section 5713.041 of the Revised Code.	91 92 93 94 95 96
(D) With respect to each tax authorized to be levied by each taxing district, the tax commissioner, annually, shall do both of the following:	97 98 99
(1) Determine by what percentage, if any, the sums levied by such tax against the carryover property in each class would have to be reduced for the tax to levy the same number of dollars against such property in that class in the current year as were charged against such property by such tax in the preceding year subsequent to the reduction made under this section but before the reduction made under section 319.302 of the Revised Code. In the case of a tax levied for the first time that is not a renewal of an existing tax, the commissioner shall determine by what percentage the sums that would otherwise be levied by such tax against carryover property in each class would have to be reduced	100 101 102 103 104 105 106 107 108 109 110

to equal the amount that would have been levied if the full rate 111
thereof had been imposed against the total taxable value of such 112
property in the preceding tax year. A tax or portion of a tax that 113
is designated a replacement levy under section 5705.192 of the 114
Revised Code is not a renewal of an existing tax for purposes of 115
this division. 116

(2) Certify each percentage determined in division (D)(1) of 117
this section, as adjusted under division (E) of this section, and 118
the class of property to which that percentage applies to the 119
auditor of each county in which the district has territory. The 120
auditor, after complying with section 319.30 of the Revised Code, 121
shall reduce the sum to be levied by such tax against each parcel 122
of real property in the district by the percentage so certified 123
for its class. Certification shall be made by the first day of 124
September except in the case of a tax levied for the first time, 125
in which case certification shall be made within fifteen days of 126
the date the county auditor submits the information necessary to 127
make the required determination. 128

(E)(1) As used in division (E)(2) of this section, "pre-1982 129
joint vocational taxes" means, with respect to a class of 130
property, the difference between the following amounts: 131

(a) The taxes charged and payable in tax year 1981 against 132
the property in that class for the current expenses of the joint 133
vocational school district of which the school district is a part 134
after making all reductions under this section; 135

(b) The following percentage of the taxable value of all real 136
property in that class: 137

(i) In 1987, five one-hundredths of one per cent; 138

(ii) In 1988, one-tenth of one per cent; 139

(iii) In 1989, fifteen one-hundredths of one per cent; 140

(iv) In 1990 and each subsequent year, two-tenths of one per cent. 141
142

If the amount in division (E)(1)(b) of this section exceeds 143
the amount in division (E)(1)(a) of this section, the pre-1982 144
joint vocational taxes shall be zero. 145

As used in divisions (E)(2) and (3) of this section, "taxes 146
charged and payable" has the same meaning as in division (B)(4) of 147
this section and excludes any tax charged and payable in 1985 or 148
thereafter under sections 5705.194 to 5705.197 or section 149
5705.199, 5705.213, 5705.219, or 5748.09 of the Revised Code. 150

(2) If in the case of a school district other than a joint 151
vocational or cooperative education school district any percentage 152
required to be used in division (D)(2) of this section for either 153
class of property could cause the total taxes charged and payable 154
for current expenses to be less than two per cent of the taxable 155
value of all real property in that class that is subject to 156
taxation by the district, the commissioner shall determine what 157
percentages would cause the district's total taxes charged and 158
payable for current expenses against that class, after all 159
reductions that would otherwise be made under this section, to 160
equal, when combined with the pre-1982 joint vocational taxes 161
against that class, the lesser of the following: 162

(a) The sum of the rates at which those taxes are authorized 163
to be levied; 164

(b) Two per cent of the taxable value of the property in that 165
class. The auditor shall use such percentages in making the 166
reduction required by this section for that class. 167

(3)(a) If in the case of a joint vocational school district 168
any percentage required to be used in division (D)(2) of this 169
section for either class of property could cause the total taxes 170
charged and payable for current expenses for that class to be less 171

than the designated amount, the commissioner shall determine what 172
percentages would cause the district's total taxes charged and 173
payable for current expenses for that class, after all reductions 174
that would otherwise be made under this section, to equal the 175
designated amount. The auditor shall use such percentages in 176
making the reductions required by this section for that class. 177

(b) As used in division (E)(3)(a) of this section, the 178
designated amount shall equal the taxable value of all real 179
property in the class that is subject to taxation by the district 180
times the lesser of the following: 181

(i) Two-tenths of one per cent; 182

(ii) The district's effective rate plus the following 183
percentage for the year indicated: 184

WHEN COMPUTING THE	ADD THE FOLLOWING	
TAXES CHARGED FOR	PERCENTAGE:	
1987	0.025%	187
1988	0.05%	188
1989	0.075%	189
1990	0.1%	190
1991	0.125%	191
1992	0.15%	192
1993	0.175%	193
1994 and thereafter	0.2%	194

(F) No reduction shall be made under this section in the rate 195
at which any tax is levied. 196

(G) The commissioner may order a county auditor to furnish 197
any information the commissioner needs to make the determinations 198
required under division (D) or (E) of this section, and the 199
auditor shall supply the information in the form and by the date 200
specified in the order. If the auditor fails to comply with an 201
order issued under this division, except for good cause as 202

determined by the commissioner, the commissioner shall withhold 203
from such county or taxing district therein fifty per cent of 204
state revenues to local governments pursuant to section 5747.50 of 205
the Revised Code or shall direct the department of education to 206
withhold therefrom fifty per cent of state revenues to school 207
districts pursuant to Chapter 3317. of the Revised Code. The 208
commissioner shall withhold the distribution of such revenues 209
until the county auditor has complied with this division, and the 210
department shall withhold the distribution of such revenues until 211
the commissioner has notified the department that the county 212
auditor has complied with this division. 213

(H) If the commissioner is unable to certify a tax reduction 214
factor for either class of property in a taxing district located 215
in more than one county by the last day of November because 216
information required under division (G) of this section is 217
unavailable, the commissioner may compute and certify an estimated 218
tax reduction factor for that district for that class. The 219
estimated factor shall be based upon an estimate of the 220
unavailable information. Upon receipt of the actual information 221
for a taxing district that received an estimated tax reduction 222
factor, the commissioner shall compute the actual tax reduction 223
factor and use that factor to compute the taxes that should have 224
been charged and payable against each parcel of property for the 225
year for which the estimated reduction factor was used. The amount 226
by which the estimated factor resulted in an overpayment or 227
underpayment in taxes on any parcel shall be added to or 228
subtracted from the amount due on that parcel in the ensuing tax 229
year. 230

A percentage or a tax reduction factor determined or computed 231
by the commissioner under this section shall be used solely for 232
the purpose of reducing the sums to be levied by the tax to which 233
it applies for the year for which it was determined or computed. 234

It shall not be used in making any tax computations for any 235
ensuing tax year. 236

(I) In making the determinations under division (D)(1) of 237
this section, the tax commissioner shall take account of changes 238
in the taxable value of carryover property resulting from 239
complaints filed under section 5715.19 of the Revised Code for 240
determinations made for the tax year in which such changes are 241
reported to the commissioner. Such changes shall be reported to 242
the commissioner on the first abstract of real property filed with 243
the commissioner under section 5715.23 of the Revised Code 244
following the date on which the complaint is finally determined by 245
the board of revision or by a court or other authority with 246
jurisdiction on appeal. The tax commissioner shall account for 247
such changes in making the determinations only for the tax year in 248
which the change in valuation is reported. Such a valuation change 249
shall not be used to recompute the percentages determined under 250
division (D)(1) of this section for any prior tax year. 251

Sec. 505.43. In order to obtain police protection, or to 252
obtain additional police protection, any township may enter into a 253
contract with one or more townships, municipal corporations, park 254
districts created pursuant to section 511.18 or 1545.01 of the 255
Revised Code, county sheriffs, joint police districts, or with a 256
governmental entity of an adjoining state upon any terms that are 257
agreed to by them, for services of police departments or use of 258
police equipment, or the interchange of the service of police 259
departments or use of police equipment within the several 260
territories of the contracting subdivisions, if the contract is 261
first authorized by respective boards of township trustees or 262
other legislative bodies. The cost of the contract may be paid for 263
from the township general fund or from funds received pursuant to 264
the passage of a levy authorized pursuant to division (J) of 265
section 5705.19 and section 5705.25 or section 5705.73 of the 266

Revised Code. 267

Chapter 2744. of the Revised Code, insofar as it is 268
applicable to the operation of police departments, applies to the 269
contracting political subdivisions and police department members 270
when the members are rendering service outside their own 271
subdivision pursuant to the contract. 272

Police department members acting outside the subdivision in 273
which they are employed may participate in any pension or 274
indemnity fund established by their employer to the same extent as 275
while acting within the employing subdivision, and are entitled to 276
all the rights and benefits of Chapter 4123. of the Revised Code, 277
to the same extent as while performing service within the 278
subdivision. 279

The contract may provide for a fixed annual charge to be paid 280
at the times agreed upon and stipulated in the contract. 281

Sec. 505.51. (A) In the case of a township police district, 282
the board of trustees of the township police district may levy a 283
tax upon all of the taxable property in the township police 284
district pursuant to sections 5705.19 and 5705.25 or section 285
5705.73 of the Revised Code to defray all or a portion of expenses 286
of the township police district in providing police protection. 287

(B) In the case of a joint police district, the joint police 288
district board may levy a tax upon all of the taxable property in 289
the joint police district pursuant to sections 5705.19 and 5705.25 290
or section 5705.73 of the Revised Code to defray all or a portion 291
of expenses of the joint police district in providing police 292
protection. 293

Sec. 742.33. (A) Each employer shall pay monthly, on such 294
dates as the board of trustees of the Ohio police and fire pension 295
fund requires, from its general fund, or from a levy imposed 296

pursuant to division (J) or (W) of section 5705.19 or section 297
5705.73 of the Revised Code, to the fund an amount known as the 298
"police officer employers' contribution," which shall be nineteen 299
and one-half per cent of the salaries as defined in division (L) 300
of section 742.01 of the Revised Code of the members of the police 301
department of the employer. 302

(B) The taxing authority of each municipal corporation in 303
which there was a police relief and pension fund on October 1, 304
1965, shall annually, in the manner provided for making other 305
municipal levies and in addition to all other levies authorized by 306
law, levy a tax of three-tenths of one mill upon all the real and 307
personal property as listed for taxation in the municipal 308
corporation for the purpose of paying the police officer 309
employers' contribution and the municipal corporation's accrued 310
liability for its former police relief and pension fund and 311
interest thereon, and of defraying the current operating expenses 312
of the municipal corporation. The annual revenues derived from the 313
tax shall be used in the following order: 314

(1) First, to pay the current police officer employers' 315
contribution and any interest related thereto; 316

(2) Second, to pay any accrued liability chargeable to the 317
municipal corporation during the current calendar year for its 318
former police relief and pension fund and any interest related 319
thereto; 320

(3) Third, to defray the current operating expenses of the 321
municipal corporation. 322

Sec. 742.34. (A) Each employer shall pay monthly, on such 323
dates as the board of trustees of the Ohio police and fire pension 324
fund requires, from its general fund, or from a levy imposed 325
pursuant to division (I) or (W) of section 5705.19 or section 326
5705.73 of the Revised Code, to the fund an amount known as the 327

"firefighter employers' contribution," which shall be twenty-four 328
per cent of the salaries as defined in division (L) of section 329
742.01 of the Revised Code of the members of the fire department 330
of the employer. 331

(B) The taxing authority of each municipal corporation in 332
which there was a firemen's relief and pension fund on October 1, 333
1965, shall annually, in the manner provided for making other 334
municipal levies and in addition to all other levies authorized by 335
law, levy a tax of three-tenths of one mill upon all the real and 336
personal property as listed for taxation in the municipal 337
corporation for the purpose of paying the firefighter employers' 338
contribution and the municipal corporation's accrued liability for 339
its former firemen's relief and pension fund and interest thereon, 340
and of defraying the current operating expenses of the municipal 341
corporation. The annual revenues derived from the tax shall be 342
used in the following order: 343

(1) First, to pay the current firefighter employers' 344
contribution and any interest related thereto; 345

(2) Second, to pay any accrued liability chargeable to the 346
municipal corporation during the current calendar year for its 347
former firemen's relief and pension fund and any interest related 348
thereto; 349

(3) Third, to defray the current operating expenses of the 350
municipal corporation. 351

Sec. 5705.26. Except as otherwise provided in section 352
5705.191 of the Revised Code, if the majority of the electors 353
voting on a levy authorized by sections 5705.19 to 5705.25 and 354
section 5705.73 of the Revised Code vote in favor of such levy at 355
such election, the taxing authority of the subdivision may levy a 356
tax within the subdivision or, in the case of a qualifying library 357
levy, within the library district or association library district, 358

at the additional rate in excess of the ten-mill limitation during 359
the period and for the purpose stated in the resolution, or at any 360
less rate, or for any of said years or purposes; provided that 361
levies for payment of debt charges shall not exceed the amount 362
necessary for such charges on the indebtedness mentioned in the 363
resolution. If such levy is for the payment of charges on debts 364
incurred prior to January 1, 1935, in excess of the ten-mill 365
limitation but within the fifteen-mill limitation, the taxing 366
authority of said subdivision shall levy in excess of the ten-mill 367
limitation such tax if a majority of the electors voting on the 368
levy vote in favor thereof. 369

Sec. 5705.73. The taxing authority of a subdivision, except 370
for a city, local, exempted village, cooperative education, or 371
joint vocational school district or a county school financing 372
district, by a vote of two-thirds of all the members of the taxing 373
authority, at any time may declare by resolution that the revenue 374
that will be raised by all tax levies that the subdivision is 375
authorized to impose will be insufficient to provide for the 376
emergency requirements of the subdivision or to avoid an operating 377
deficit, and that it is therefore necessary to levy a tax in 378
excess of the ten-mill limitation. The resolution shall be 379
confined to one of the purposes described in division (I), (J), 380
(U), or (JJ) of section 5705.19 of the Revised Code and shall 381
specify that purpose. 382

If the levy is proposed to renew all or a portion of the 383
proceeds derived from one or more existing levies imposed pursuant 384
to this section, it shall be called a renewal levy and shall be so 385
designated on the ballot. If two or more existing levies are to be 386
included in a single renewal levy but are not scheduled to expire 387
in the same year, the resolution shall specify that the existing 388
levies to be renewed shall not be levied after the year preceding 389
the year in which the renewal levy is first imposed. If the 390

original purpose of any one or more existing levies that are to be 391
in any single renewal levy was to provide for emergency 392
requirements or to avoid an operating deficit, the purpose of the 393
renewal levy may be either to avoid an operating deficit or to 394
provide for the emergency requirements. 395

The resolution shall specify the amount of money it is 396
necessary to raise for the specified purpose for each year the 397
millage is to be imposed; if a renewal levy, whether the levy is 398
to renew all, or a portion of, the proceeds derived from one or 399
more existing levies; and the number of years in which the millage 400
is to be in effect, which may include a levy upon the current 401
year's tax list. The number of years may be any number not 402
exceeding five. 403

The resolution shall go into immediate effect upon its 404
passage, and no publication of the resolution shall be necessary 405
other than that provided for in the notice of election. A copy of 406
the resolution shall immediately after its adoption be certified 407
to the county auditor of the proper county or counties. Within 408
five days after the resolution is certified to the county auditor, 409
the auditor shall calculate and certify to the taxing authority 410
the annual levy, expressed in dollars and cents for each one 411
hundred dollars of valuation and in mills for each one dollar of 412
valuation, throughout the life of the levy that will be required 413
to produce the annual amount set forth in the resolution assuming 414
that the amount of the tax list of the subdivision remains 415
throughout the life of the levy the same as the amount of the tax 416
list for the current year, and if this is not determined, the 417
estimated amount submitted by the auditor to the county budget 418
commission. 419

Upon receiving the certification from the county auditor, if 420
the taxing authority desires to proceed with the submission of the 421
question it shall, not less than ninety days before the day of the 422

election, certify its resolution to the board of elections, 423
together with the amount of the average tax levy, expressed in 424
dollars and cents for each one hundred dollars of valuation and in 425
mills for each one dollar of valuation, estimated by the auditor, 426
and the number of years the levy is to run. The board of elections 427
shall prepare the ballots and make other necessary arrangements 428
for the submission of the question to the voters of the 429
subdivision. 430

The question may be submitted to electors at a general 431
election or a special election held on a date consistent with 432
section 3501.01 of the Revised Code. 433

The form of the ballot to be used at the election shall be as 434
follows: 435

"Shall a levy be imposed by the (name of 436
subdivision) for the purpose of (purpose of 437
levy) in the sum of (annual amount the levy is 438
to produce) and a levy of taxes to be made outside of the ten-mill 439
limitation estimated by the county auditor to average 440
. (number of mills) mills for each one dollar of valuation, 441
which amounts to (rate expressed in dollars 442
and cents) for each one hundred dollars of valuation, for a period 443
of (the number of years the millage is to be 444
imposed) years? 445

FOR THE TAX LEVY 446

AGAINST THE TAX LEVY" 447

The purpose for which the tax is to be levied shall be 448
printed in the space indicated, in boldface type of at least twice 449
the size of the type immediately surrounding it. 450

If the tax is to be placed on the current tax list, the form 451
of the ballot shall be modified by adding, after "years," the 452
phrase ", commencing in (first year the tax is 453

to be levied), first due in calendar year 454
(first calendar year in which the tax shall be due)." 455

If the levy submitted is a proposal to renew all or a portion 456
of an existing levy, the form of the ballot specified in this 457
section may be changed by adding the following at the beginning of 458
the form, after the words "shall a levy": 459

(A) "Renewing an existing levy" in the case of a proposal to 460
renew an existing levy in the same amount; 461

(B) "Renewing dollars and providing an 462
increase of dollars" in the case of an 463
increase; 464

(C) "Renewing part of an existing levy, being a reduction of 465
. dollars" in the case of a renewal of only part 466
of an existing levy. 467

If the levy submitted is a proposal to renew all or a portion 468
of more than one existing levy, the form of the ballot may be 469
changed in any of the manners provided in division (A), (B), or 470
(C) of this section, or any combination of those manners, as 471
appropriate, so long as the form of the ballot reflects the number 472
of levies to be renewed, whether the amount of any of the levies 473
will be increased or decreased, the amount of any such increase or 474
decrease for each levy, and that none of the existing levies to be 475
renewed will be levied after the year preceding the year in which 476
the renewal levy is first imposed. The form of the ballot shall be 477
changed by adding the following statement after "for a period of . 478
. years?" and before "For the Tax Levy" and "Against 479
the Tax Levy": 480

"If approved, any remaining tax years on any of the above . . 481
. (the number of existing levies) existing levies 482
will not be collected after (the current tax 483
year or, if not the current tax year, the applicable tax year)." 484

After the approval of the levy and before the first tax 485
collection from the levy can be made, the taxing authority may 486
anticipate a fraction of the proceeds of the levy and issue 487
anticipation notes in an amount not exceeding the total estimated 488
proceeds of the levy to be collected during the first year of the 489
levy. 490

The notes shall be issued as provided in section 133.24 of 491
the Revised Code, shall have principal payments during each year 492
after the year of their issuance over a period not to exceed five 493
years, and may have principal payments in the year of their 494
issuance. 495

Section 2. That existing sections 9.65, 319.301, 505.43, 497
505.51, 742.33, 742.34, and 5705.26 of the Revised Code are hereby 498
repealed. 499