



Joseph D. Heller

Bill Analysis
Legislative Service Commission

Sub. H.B. 396

127th General Assembly
(As Reported by H. Ways & Means)

Reps. Hottinger and Dodd, Peterson, Evans, Chandler, Goyal, J. Hagan, Letson, Patton

BILL SUMMARY

- Authorizes boards of county commissioners to appropriate general fund money to a federally tax-exempt organization for the design and construction of a veterans memorial education center and veterans service commission office.

CONTENT AND OPERATION

County appropriations for veterans-related facility

(R.C. 307.852)

The bill authorizes boards of county commissioners to appropriate money from the county's general fund to an organization that is exempted from federal income taxation as an Internal Revenue Code section 501(c)(3) organization for the design and construction of a veterans memorial education center and veterans service commission office. (Section 501(c)(3) organizations include those organized and operated for charitable, religious, educational, literary, scientific, or public safety testing purposes, to prevent cruelty to children or animals, or to foster national or international amateur sports competition. None of the organization's income may inure to the benefit of a private person or shareholder, the organization's activities may not substantially consist of propaganda or otherwise attempting to influence legislation, and it may not participate in political campaigns for political office.)

The bill requires any organization receiving such an appropriation to enter into an agreement with the board of county commissioners requiring the organization to keep current and accurate accounts of the money and assigning liability to the organization for improper use of money.

Current authority

Current law authorizes counties' general fund money to be appropriated and expended for current expenses "of any kind" that are required to carry into effect any of a county's general or special powers. (R.C. 5705.05.) The particular kinds of expenses enumerated by general law include (but are not limited to) permanent improvements; payment of judgments; maintenance and operation of public buildings; senior citizen services or facilities; poor relief; mental health, mental retardation, and developmental disability services; veterans' services; soil and water conservation districts and watershed conservancy districts; educational television; air pollution; and judges' compensation.

Several specific statutes also authorize counties to provide financial support to private, nonprofit organizations, including historical societies (R.C. 307.23); entities providing criminal and juvenile offender detention, diversion, and rehabilitation services (R.C. 307.45); entities promoting or providing public safety, patient transport, emergency medical services, entities promoting the economic benefits of the Great Lakes-St. Lawrence Seaway, and entities assisting people to deal with government (R.C. 307.691); entities engaged in economic development and tourism promotion (R.C. 307.692); community improvement corporations (R.C. 307.78); entities involved in establishing or operating a federal program, providing social services for the elderly, or providing emergency food assistance to the needy (R.C. 307.85). Some of those statutes expressly require the recipient organization to maintain accounts of the money, to conduct regular audits, and to provide copies of the audits or a financial report to the county.

HISTORY

ACTION	DATE
Introduced	11-20-07
Reported, H. Ways & Means	02-07-08

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