



**S.B. 88**

127th General Assembly  
(As Introduced)

**Sens. Gardner, Schuler, Coughlin, Mumper**

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**BILL SUMMARY**

- Allows a subdivision that is a member of a regional transit authority to withdraw from the authority if the electors in the withdrawing subdivision approve a ballot measure for the withdrawal.

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**CONTENT AND OPERATION**

Under current law, a regional transit authority (RTA) may be created by any county, any two or more counties, municipal corporations, or townships, or any combination of these entities for one or more of a variety of purposes generally pertaining to the provision of transit facilities. An RTA is created upon the adoption of a resolution or ordinance by the local governments proposing to create or to join in its creation. Once created, an RTA is a political subdivision of the state, with the authority to levy and collect property and sales and use taxes and to issue bonds secured by its general credit; however, many of the governing principles of an RTA are generally authorized in statute, but the specific details are to be determined by the authorizing resolutions or ordinances.

Current law does not specifically determine the manner in which an RTA may be dissolved or its membership modified; rather, current law provides that the resolution or ordinance creating the RTA may provide for its dissolution or modification in membership under circumstances described in the resolution or ordinances. Such dissolution or modification of membership must make due provision for the payment and performance of the RTA's obligations. Alternatively, an RTA may be dissolved or its membership modified by its board of trustees with the consent of the subdivisions creating the RTA. If an RTA is dissolved, RTA properties must be transferred to the creating subdivisions in such manner as may be agreed upon. (R.C. 306.54, not in the bill.)

Unless the resolutions or ordinances address the issue, or each subdivision in an RTA gives its consent, there is no provision in current law for one member of an RTA to withdraw from the RTA. The bill creates such a procedure. Under

the bill, any county, municipal corporation, or township that has created or joined an RTA may withdraw from it by adopting a resolution to submit the question of withdrawing from the RTA to the electors of the territory to be withdrawn. The subdivision proposing to withdraw must certify the proposal to the board of elections for the purpose of having the proposal placed on the ballot at the next general election or at a specified special election.

Upon certification of a proposal to the board of elections, the board of elections must make the necessary arrangements for the submission of the question to the electors of the territory to be withdrawn from the RTA. The bill specifies the method of holding the election and the language of the question appearing on the ballot.

If the question is approved by at least a majority of the electors voting on the question, the withdrawal is effective two years from the date of the certification of its passage. The board of elections must certify the results of the election to the board or legislative authority of the subdivision RTA that submitted the resolution to withdraw and to the board of trustees of the RTA from which the subdivision proposed to withdraw.

The bill specifies that if the question of withdrawing from the RTA is approved, the power of the RTA to levy a tax on taxable property in the withdrawing subdivision terminates; however, the RTA must continue to levy and collect taxes for the payment of indebtedness within the territory of the RTA as it existed at the time the indebtedness was incurred.

If the question of withdrawing from the RTA passes, the RTA board of trustees must ascertain, apportion, and order a division of (1) the funds on hand, (2) credits, (3) money, (4) taxes in the process of collection, except for taxes levied for the payment of indebtedness, and (5) real and personal property. The division of property and assets between the RTA and the withdrawing subdivision may be either in money or in kind, on any equitable basis consistent with the resolutions creating the RTA and any agreements between the withdrawing subdivision and the RTA, taking into consideration the prior contributions of the withdrawing subdivision.

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## **HISTORY**

<b>ACTION</b>	<b>DATE</b>
Introduced	03-01-07

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