

Fiscal Note & Local Impact Statement

127th General Assembly of Ohio

Ohio Legislative Service Commission
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BILL: **H.B. 396**

DATE: **January 23, 2008**

STATUS: **As Introduced**

SPONSOR: **Reps. Hottinger and Dodd**

LOCAL IMPACT STATEMENT REQUIRED: **No — Permissive**

CONTENTS: **To generally authorize a board of county commissioners to appropriate funds to tax-exempt 501(c)(3) organizations that serve a community purpose.**

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- No direct fiscal effect on counties, but the bill would allow counties to use general fund revenues for this additional purpose. Presumably, counties would only make appropriations to these eligible organizations if there were sufficient general fund moneys to do so.



Detailed Fiscal Analysis

Bill description

The bill authorizes boards of county commissioners to appropriate money from a county's general fund to an organization that the board determines serves a "community" purpose and that is exempted from federal income taxation as an Internal Revenue Code section 501(c)(3) organization. This authority is granted to townships in section 505.707 of the Revised Code.

Eligibility

Such 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. However, none of the organization's income may inure to the benefit of a private person or shareholder, nor may the organization's activities substantially consist of propaganda or attempting to influence legislation, including participation in political campaigns for political office.

Example

An example of such a situation could involve a situation in which county commissioners have available funds that they wish to use to help a county veterans' memorial committee finance the construction and operation of a memorial. Under current law, the commissioners cannot appropriate money from the county general fund for this purpose. This bill is permissive and would have no new direct impact on counties. Presumably, counties would only exercise this option when there were enough general fund revenues to do so.

LSC fiscal staff: Terry Steele, Budget Analyst

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