



OHIO LEGISLATIVE SERVICE COMMISSION

Shannon Pleiman

Fiscal Note & Local Impact Statement

Bill: H.B. 715 of the 132nd G.A.

Status: As Introduced

Sponsor: Reps. Schuring and West

Local Impact Statement Procedure Required: No

Subject: Authorizes municipal corporations to use up to 5% of water and sewer moneys for economic development

The bill has no direct fiscal effect on the state or local political subdivisions, but allows for some flexibility in the way water and sewer fees collected by a municipality may be used. Specifically, the bill authorizes a municipal corporation, in each fiscal year, to use up to 5% of the gross amount of money deposited in a municipal corporation's water fund or sewer fund for the preceding fiscal year to extend water or sewer service when the extension is for economic development purposes. Thus, the bill does not increase or decrease the amount of money deposited into these accounts but allows a municipal corporation to use these funds in additional ways not currently permissible under current law.

Using the city of Canton as an example, under the proposed bill, it could use up to \$985,000 to extend water service or up to \$960,000 to extend sewer service for economic development purposes in calendar year 2018. This is based on the 2017 Comprehensive Financial Annual Report for the city that showed \$19.7 million was deposited into the Water Operating Fund and \$19.2 million was deposited into the Sewer Operating Fund.