

Topic: Local government hold-harmless payments 1

_____ moved to amend as follows:

In line 1 of the title, delete "section" and insert "sections 2
131.44, 131.51, and"; after "5739.01" insert "and to enact section 3
5739.212" 4

In line 4 of the title, after "organizations" insert "and to nullify 5
the resulting revenue effects on local governments and libraries" 6

In line 5, delete "section" and insert "sections 131.44, 131.51, 7
and"; after "5739.01" insert "be amended and section 5739.212" 8

In line 6, delete "amended" and insert "enacted" 9

After line 6, insert: 10

"Sec. 131.44. (A) As used in this section: 11

(1) "Surplus revenue" means the excess, if any, of the 12
total fund balance over the required year-end balance. 13

(2) "Total fund balance" means the sum of the unencumbered 14
balance in the general revenue fund on the last day of the 15



preceding fiscal year plus the balance in the budget	16
stabilization fund.	17
(3) "Required year-end balance" means the sum of the	18
following:	19
(a) Eight and one-half per cent of the general revenue	20
fund revenues for the preceding fiscal year;	21
(b) "Ending fund balance," which means one-half of one per	22
cent of general revenue fund revenues for the preceding fiscal	23
year;	24
(c) "Carryover balance," which means, with respect to a	25
fiscal biennium, the excess, if any, of the estimated general	26
revenue fund appropriation and transfer requirement for the	27
second fiscal year of the biennium over the estimated general	28
revenue fund revenue for that fiscal year;	29
(d) "Capital appropriation reserve," which means the	30
amount, if any, of general revenue fund capital appropriations	31
made for the current biennium that the director of budget and	32
management has determined will be encumbered or disbursed;	33
(e) "Income tax reduction impact reserve," which means an	34
amount equal to the reduction projected by the director of	35
budget and management in income tax revenue in the current	36
fiscal year attributable to the previous reduction in the income	37
tax rate made by the tax commissioner pursuant to division (B)	38
of section 5747.02 of the Revised Code.	39
(4) "Estimated general revenue fund appropriation and	40
transfer requirement" means the most recent adjusted	41
appropriations made by the general assembly from the general	42
revenue fund and includes both of the following:	43

(a) Appropriations made and transfers of appropriations 44
from the first fiscal year to the second fiscal year of the 45
biennium in provisions of acts of the general assembly signed by 46
the governor but not yet effective; 47

(b) Transfers of appropriations from the first fiscal year 48
to the second fiscal year of the biennium approved by the 49
controlling board. 50

(5) "Estimated general revenue fund revenue" means the 51
most recent such estimate available to the director of budget 52
and management. 53

(B) (1) Not later than the thirty-first day of July each 54
year, the director of budget and management shall determine the 55
surplus revenue that existed on the preceding thirtieth day of 56
June and transfer from the general revenue fund, to the extent 57
of the unobligated, unencumbered balance on the preceding 58
thirtieth day of June in excess of one-half of one per cent of 59
the general revenue fund revenues in the preceding fiscal year, 60
the following: 61

(a) First, to the budget stabilization fund, any amount 62
necessary for the balance of the budget stabilization fund to 63
equal eight and one-half per cent of the general revenue fund 64
revenues of the preceding fiscal year; 65

(b) Then, to the income tax reduction fund, which is 66
hereby created in the state treasury, an amount equal to the 67
surplus revenue. 68

(2) Not later than the thirty-first day of July each year, 69
the director shall determine the percentage that the balance in 70
the income tax reduction fund is of the amount of revenue that 71
the director estimates will be received from the tax levied 72

under section 5747.02 of the Revised Code in the current fiscal 73
year without regard to any reduction under division (B) of that 74
section. If that percentage exceeds thirty-five one hundredths 75
of one per cent, the director shall certify the percentage to 76
the tax commissioner not later than the thirty-first day of 77
July. 78

(C) The director of budget and management shall transfer 79
money in the income tax reduction fund to the general revenue 80
fund, the local government fund, and the public library fund as 81
necessary to offset revenue reductions resulting from the 82
reductions in taxes required under division (B) of section 83
5747.02 of the Revised Code in the respective amounts and 84
percentages prescribed by section 5747.03 and divisions ~~(A)-(B)~~ 85
and ~~(B)-(C)~~ of section 131.51 of the Revised Code as if the 86
amount transferred had been collected as taxes under Chapter 87
5747. of the Revised Code. If no reductions in taxes are made 88
under that division that affect revenue received in the current 89
fiscal year, the director shall not transfer money from the 90
income tax reduction fund to the general revenue fund, the local 91
government fund, and the public library fund. 92

Sec. 131.51. (A) As used in this section, "supplemental 93
distribution" means the difference obtained by subtracting the 94
total tax revenue credited to the general revenue fund during 95
the preceding month from the amount of such revenue the tax 96
commissioner estimates would have been credited to that fund 97
during that month if this section and section 5739.01 of the 98
Revised Code had not been amended by H.B. 196 of the 133rd 99
general assembly. 100

(B) On or before the seventh day of each month, the 101
director of budget and management shall credit to the local 102

government fund one and sixty-six one-hundredths per cent of the 103
sum of the total tax revenue credited to the general revenue 104
fund during the preceding month plus the supplemental 105
distribution. In determining the total tax revenue credited to 106
the general revenue fund during the preceding month, the 107
director shall include amounts transferred from the fund during 108
the preceding month under this division and division ~~(B)~~(C) of 109
this section. Money shall be distributed from the local 110
government fund as required under sections 5747.50 and 5747.503 111
of the Revised Code during the same month in which it is 112
credited to the fund. 113

~~(B)~~(C) On or before the seventh day of each month, the 114
director of budget and management shall credit to the public 115
library fund one and sixty-six one-hundredths per cent of the 116
sum of the total tax revenue credited to the general revenue 117
fund during the preceding month plus the supplemental 118
distribution. In determining the total tax revenue credited to 119
the general revenue fund during the preceding month, the 120
director shall include amounts transferred from the fund during 121
the preceding month under this division and division ~~(A)~~(B) of 122
this section. Money shall be distributed from the public library 123
fund as required under section 5747.47 of the Revised Code 124
during the same month in which it is credited to the fund. 125

~~(C)~~(D) The director of budget and management shall 126
develop a schedule identifying the specific tax revenue sources 127
to be used to make the monthly transfers required under 128
divisions ~~(A)~~(B) and ~~(B)~~(C) of this section. The director may, 129
from time to time, revise the schedule as the director considers 130
necessary." 131

After line 1137, insert: 132

"Sec. 5739.212. On or before the twentieth day of the 133
month in which a certification is made under division (B) (1) of 134
section 5739.21 of the Revised Code, the director of budget and 135
management shall pay from the general revenue fund to the county 136
treasurer of a county or fiscal officer of a transit authority 137
levying a tax or taxes pursuant to section 5739.021, 5739.023, 138
or 5739.026 of the Revised Code an amount equal to the 139
difference obtained by subtracting (A) the amount of the payment 140
provided to the county treasurer or fiscal officer under 141
division (D) of section 5739.21 of the Revised Code for the 142
applicable month from (B) the amount the tax commissioner 143
estimates would have been payable to that county treasurer or 144
fiscal officer under that division for that month if section 145
5739.01 of the Revised Code had not been amended by H.B. 196 of 146
the 133rd general assembly. A payment received by a county 147
treasurer or fiscal officer under this division shall be 148
deposited as would revenue from such tax or taxes levied by the 149
county or transit authority as required under section 5739.211 150
of the Revised Code proportionately according to the ratio the 151
rate of each such tax levied by the county or transit authority 152
bears to the total rate of all such taxes levied thereby." 153

In line 1138, delete "section" and insert "sections 131.44, 131.51, 154
and" 155

In line 1139, delete "is" and insert "are" 156

In line 1140, after "amendment" insert "or enactment"; delete 157
"section" and insert "sections 131.44, 131.51,"; after "5739.01" insert ", 158
and 5739.212" 159

The motion was _____ agreed to.