Amendment No. AM_133_1349

H. B. No. 196

Topic: Local government hold-harmless payments

moved to amend as follows:

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

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

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

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

After line 6, insert:

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

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

(2) "Total fund balance" means the sum of the unencumbered balance in the general revenue fund on the last day of the
preceding fiscal year plus the balance in the budget stabilization fund.

(3) "Required year-end balance" means the sum of the following:

(a) Eight and one-half per cent of the general revenue fund revenues for the preceding fiscal year;

(b) "Ending fund balance," which means one-half of one per cent of general revenue fund revenues for the preceding fiscal year;

(c) "Carryover balance," which means, with respect to a fiscal biennium, the excess, if any, of the estimated general revenue fund appropriation and transfer requirement for the second fiscal year of the biennium over the estimated general revenue fund revenue for that fiscal year;

(d) "Capital appropriation reserve," which means the amount, if any, of general revenue fund capital appropriations made for the current biennium that the director of budget and management has determined will be encumbered or disbursed;

(e) "Income tax reduction impact reserve," which means an amount equal to the reduction projected by the director of budget and management in income tax revenue in the current fiscal year attributable to the previous reduction in the income tax rate made by the tax commissioner pursuant to division (B) of section 5747.02 of the Revised Code.

(4) "Estimated general revenue fund appropriation and transfer requirement" means the most recent adjusted appropriations made by the general assembly from the general revenue fund and includes both of the following:
(a) Appropriations made and transfers of appropriations from the first fiscal year to the second fiscal year of the biennium in provisions of acts of the general assembly signed by the governor but not yet effective;

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

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

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

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

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

(2) Not later than the thirty-first day of July each year, the director shall determine the percentage that the balance in the income tax reduction fund is of the amount of revenue that the director estimates will be received from the tax levied
under section 5747.02 of the Revised Code in the current fiscal year without regard to any reduction under division (B) of that section. If that percentage exceeds thirty-five one hundredths of one per cent, the director shall certify the percentage to the tax commissioner not later than the thirty-first day of July.

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

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

(B) On or before the seventh day of each month, the director of budget and management shall credit to the local
government fund one and sixty-six one-hundredths per cent of the
sum of the total tax revenue credited to the general revenue
fund during the preceding month plus the supplemental
distribution. In determining the total tax revenue credited to
the general revenue fund during the preceding month, the
director shall include amounts transferred from the fund during
the preceding month under this division and division (B)–(C) of
this section. Money shall be distributed from the local
government fund as required under sections 5747.50 and 5747.503
of the Revised Code during the same month in which it is
credited to the fund.

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

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

After line 1137, insert:
"Sec. 5739.212. On or before the twentieth day of the month in which a certification is made under division (B)(1) of section 5739.21 of the Revised Code, the director of budget and management shall pay from the general revenue fund to the county treasurer of a county or fiscal officer of a transit authority levying a tax or taxes pursuant to section 5739.021, 5739.023, or 5739.026 of the Revised Code an amount equal to the difference obtained by subtracting (A) the amount of the payment provided to the county treasurer or fiscal officer under division (D) of section 5739.21 of the Revised Code for the applicable month from (B) the amount the tax commissioner estimates would have been payable to that county treasurer or fiscal officer under that division for that month if section 5739.01 of the Revised Code had not been amended by H.B. 196 of the 133rd general assembly. A payment received by a county treasurer or fiscal officer under this division shall be deposited as would revenue from such tax or taxes levied by the county or transit authority as required under section 5739.211 of the Revised Code proportionately according to the ratio the rate of each such tax levied by the county or transit authority bears to the total rate of all such taxes levied thereby."

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

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

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

The motion was __________ agreed to.