BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 131.44 and 131.51 be amended and section 131.52 of the Revised Code be enacted to read as follows:

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 percent 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 required to be allocated to that fund under division (B)(3) of this section;

(b) Second, to the local government adult and senior services fund, fifty per cent of the remaining surplus revenue;

(c) Third, 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;

(d) Fourth, to the income tax reduction fund, which is hereby created in the state treasury, an amount equal to the remaining 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.
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.

(3) If the balance of the budget stabilization fund
decreased by ten per cent or more between the first day of
August and the last day of June of the preceding fiscal year,
and if an allocation is not already required to be made to that
fund pursuant to division (B)(3) of this section from a prior
year, any surplus revenue available to be transferred under this
section in the current fiscal year and in ensuing fiscal years
shall be transferred to the budget stabilization fund until the
balance of that fund is equal to the lesser of the balance of
the fund on the first day of August of the fiscal year in which
the decrease occurred or eight and one-half per cent of the
general revenue fund revenues of the preceding fiscal year.

(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 division (A) of section 5747.03 and
divisions (A) and (B) 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) 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 total tax revenue credited to the general revenue fund during the preceding month. 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) 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) 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 total tax revenue credited to the general revenue fund during the preceding month. 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) 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) 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) and (B) of this section. The director may, from time to time, revise the schedule as the director considers necessary.

(D) No act of the general assembly shall reduce the amount to be credited to the local government fund each month to an
amount that is less than one and sixty-six one-hundredths of one per cent of the total tax revenue credited to the general revenue fund during the preceding month.

Sec. 131.52. (A) There is hereby created in the state treasury the local government adult and senior services fund. The fund shall consist of money transferred to it pursuant to section 131.44 of the Revised Code and of any other amounts appropriated to it.

(B) Not later than the last day of any July in which a transfer of money is made to the local government adult and senior services fund under section 131.44 of the Revised Code, the director of budget and management shall do both of the following:

(1) Compute the quotient of the following amounts for each county:

(a) The balance of the local government adult and senior services fund;

(b) The population of each county.

(2) Certify the amount computed for each county to that county's auditor.

For the purpose of the computation under division (B) of this section, the population of each county shall be based on the most recent records of the development services agency. The development services agency shall provide such information to the director of budget and management upon request.

(C) Not later than the last day of August following the director's certification under division (B) of this section, the director of budget and management shall distribute to each
county treasury the amount certified for that county to the credit of the county's adult and senior services fund, which shall be created in each county treasury.

(D) Amounts distributed to a county's adult and senior services fund under this section shall be used solely for the support of adult protective services and senior services and facilities as authorized or required by sections 307.694, 307.85, and 5101.60 to 5101.71 of the Revised Code. A county may use the funds distributed to it in the year in which the distribution is received or in any succeeding year.

Section 2. That existing sections 131.44 and 131.51 of the Revised Code are hereby repealed.

Section 3. The amendment or enactment by this act of sections 131.44, 131.51, and 131.52 of the Revised Code applies on and after the first day of the first July following the effective date of this act.