

**As Reported by the House State and Local Government Committee**

**132nd General Assembly**

**Regular Session**

**2017-2018**

**Am. H. B. No. 134**

**Representatives Hambley, Kick**

**Cosponsors: Representatives Wiggam, Stein**

---

**A BILL**

To amend sections 307.283 and 5739.026 of the  
Revised Code to allow community improvements  
board grants to a school district to be spent  
for permanent improvements outside the county so  
long as the improvements are within the school  
district.

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

**Section 1.** That sections 307.283 and 5739.026 of the  
Revised Code be amended to read as follows:

**Sec. 307.283.** (A) As used in this section:

(1) "Grant revenue" means revenues from a tax imposed  
under section 5739.026 or 5741.023 of the Revised Code that are  
allocated for the purpose of division (A) (4) of section 5739.026  
of the Revised Code.

(2) "Available grant revenue" means the amount certified  
under division (B) (2) of this section, less the amount of any  
grants previously awarded for the year under division (C) of  
this section.

(3) "Grant" means a payment award for the year to a government agency for a permanent improvement project in the amount specified by the community improvements board.

(4) "Government agency" means the county, the state, or a political subdivision, including a school district, any part of which is located in the county, ~~or the state.~~

(5) "Debt service charges" means interest, principal, and premium on grant award bonds.

(6) "Grant award bonds" means bonds or notes issued under section ~~133.312~~307.284 of the Revised Code.

(7) "Year" means a calendar year.

(8) "Permanent improvement project" means any permanent improvement to be undertaken for which the government agency that receives a grant is authorized to expend the proceeds of that grant. ~~Any permanent improvement to be undertaken by the state shall be located in the county.~~

(9) "School district" means a city, local, or exempted village school district.

(B) Each year the community improvements board shall convene and determine and certify to the board of county commissioners each of the following:

(1) The estimated grant revenue to be transferred to the community improvement fund during the current year.

(2) The total amount of grants that may be awarded during the current year. Except as provided in division (D) of this section, the total amount of grants that may be awarded during any year may not exceed the sum of the unencumbered balance in the community improvements fund on the first day of the year

plus the estimated grant revenue for the current year, less the 46  
debt service charges certified under division (B) (3) of this 47  
section. 48

(3) With respect to outstanding grant award bonds, the 49  
total debt service charges for the current year and each of the 50  
ensuing nine years. 51

(C) Upon the making of such certifications, the community 52  
improvements board may award grants for the year for any one or 53  
more permanent improvement projects. For each grant awarded, the 54  
board shall certify to the board of county commissioners the 55  
project for which the grant is awarded, the amount of the grant, 56  
and the government agency to which the grant is to be paid. The 57  
board shall include in the certification, a statement 58  
instructing the board of county commissioners with respect to 59  
whether and in what proportion or amount the grant is to be 60  
reduced or whether the grant is to be paid in full in the event 61  
the actual grant revenues for the current year are less than the 62  
estimated grant revenues for the year. By a unanimous vote, the 63  
board of county commissioners may disallow a grant awarded under 64  
this division, in which case it shall certify its determination 65  
to the community improvements board, and the grant shall not be 66  
paid in the current year as otherwise required under division 67  
(E) of this section. 68

Except as otherwise provided in this division, grants 69  
awarded by the community improvements board shall be used only 70  
for permanent improvement projects located within the county. If 71  
the grant revenue is derived from a tax that was levied on the 72  
effective date of H.B. 134 of the 132nd general assembly and the 73  
government agency to which the grant is to be paid is a school 74  
district, the grant may be used for permanent improvement 75

projects located anywhere within that school district even if a 76  
portion of the school district is located outside the county. 77

Except as provided in division (D) of this section, the 78  
board may not award any grant in any year that exceeds the 79  
available grant revenue. The board may award grants to more than 80  
one government agency for the same project and may award grants 81  
for the same project in more than one year. 82

(D) The community improvements board may award grants in 83  
excess of the available grant revenue for any one or more 84  
permanent improvement projects, but the sum of the grants 85  
awarded for the year under this division shall not exceed the 86  
available grant revenue, adjusted to reflect the sum of any 87  
grants that are not to be paid, as determined under the 88  
certification made under division (D) (3) of this section, plus 89  
the amount by which the amount certified under division (D) (1) 90  
of this section exceeds the amount certified under division (D) 91  
(2) of this section. For each grant awarded under this division, 92  
the board shall certify to the board of county commissioners the 93  
project for which the grant is awarded, the amount of the grant, 94  
and the government agency to which the grant is to be paid. The 95  
board of county commissioners may disallow a grant awarded under 96  
this division, in which case it shall certify its determination 97  
to the community improvements board, and the grant shall not be 98  
paid in the current year as otherwise required under division 99  
(E) of this section. If the community improvements board elects 100  
to award a grant under this division, at the time it makes the 101  
certifications required by division (B) of this section it shall 102  
make the following additional certifications: 103

(1) The estimated grant revenue to be transferred to the 104  
community improvement fund during each of the nine ensuing 105

years; 106

(2) The estimated total debt service charges, exclusive of 107  
principal, for the current year and each of the nine ensuing 108  
years on grant award bonds that would have to be issued during 109  
the current year in order to pay a grant awarded under this 110  
division; 111

(3) Which, if any, of the grants awarded under division 112  
~~(B)~~(C) of this section should not be paid if a grant award made 113  
under this division is paid. 114

(E) Except as otherwise provided by divisions (C) and (D) 115  
of this section, the board of county commissioners shall pay 116  
each government agency from the county's community improvement 117  
fund, the amount of its grant award in accordance with the 118  
certification of the community improvement board. If the balance 119  
in the fund is insufficient to make the payment of any grant in 120  
the amount specified in the certification, the board of county 121  
commissioners may issue grant award bonds in the amount of such 122  
insufficiency and make the balance of the payment from the 123  
proceeds of such bonds. The proceeds of a payment received under 124  
this division may be expended solely for the permanent 125  
improvement project for which the grant was awarded. 126

(F) If a board of county commissioners disallows a grant 127  
under division (C) or (D) of this section, the community 128  
improvements board may reconvene for the purpose of awarding 129  
grants under this section. For the purpose of making grant 130  
awards as provided under this division, any grant that the board 131  
of county commissioners disallows shall be considered not to 132  
have been awarded. 133

(G) Before the community improvements board may approve 134

funding for a permanent improvement project that has been 135  
rejected by a separate prior vote of the electorate, there must 136  
have occurred a subsequent separate vote of the electorate 137  
reversing the prior result. 138

**Sec. 5739.026.** (A) A board of county commissioners may 139  
levy a tax of one-fourth or one-half of one per cent on every 140  
retail sale in the county, except sales of watercraft and 141  
outboard motors required to be titled pursuant to Chapter 1548. 142  
of the Revised Code and sales of motor vehicles, and may 143  
increase an existing rate of one-fourth of one per cent to one- 144  
half of one per cent, to pay the expenses of administering the 145  
tax and, except as provided in division (A) (6) of this section, 146  
for any one or more of the following purposes provided that the 147  
aggregate levy for all such purposes does not exceed one-half of 148  
one per cent: 149

(1) To provide additional revenues for the payment of 150  
bonds or notes issued in anticipation of bonds issued by a 151  
convention facilities authority established by the board of 152  
county commissioners under Chapter 351. of the Revised Code and 153  
to provide additional operating revenues for the convention 154  
facilities authority; 155

(2) To provide additional revenues for a transit authority 156  
operating in the county; 157

(3) To provide additional revenue for the county's general 158  
fund; 159

(4) To provide additional revenue for permanent 160  
improvements ~~within the county~~ to be distributed by the 161  
community improvements board in accordance with section 307.283 162  
and to pay principal, interest, and premium on bonds issued 163

under section 307.284 of the Revised Code; 164

(5) To provide additional revenue for the acquisition, 165  
construction, equipping, or repair of any specific permanent 166  
improvement or any class or group of permanent improvements, 167  
which improvement or class or group of improvements shall be 168  
enumerated in the resolution required by division (D) of this 169  
section, and to pay principal, interest, premium, and other 170  
costs associated with the issuance of bonds or notes in 171  
anticipation of bonds issued pursuant to Chapter 133. of the 172  
Revised Code for the acquisition, construction, equipping, or 173  
repair of the specific permanent improvement or class or group 174  
of permanent improvements; 175

(6) To provide revenue for the implementation and 176  
operation of a 9-1-1 system in the county. If the tax is levied 177  
or the rate increased exclusively for such purpose, the tax 178  
shall not be levied or the rate increased for more than five 179  
years. At the end of the last year the tax is levied or the rate 180  
increased, any balance remaining in the special fund established 181  
for such purpose shall remain in that fund and be used 182  
exclusively for such purpose until the fund is completely 183  
expended, and, notwithstanding section 5705.16 of the Revised 184  
Code, the board of county commissioners shall not petition for 185  
the transfer of money from such special fund, and the tax 186  
commissioner shall not approve such a petition. 187

If the tax is levied or the rate increased for such 188  
purpose for more than five years, the board of county 189  
commissioners also shall levy the tax or increase the rate of 190  
the tax for one or more of the purposes described in divisions 191  
(A) (1) to (5) of this section and shall prescribe the method for 192  
allocating the revenues from the tax each year in the manner 193

required by division (C) of this section.	194
(7) To provide additional revenue for the operation or maintenance of a detention facility, as that term is defined under division (F) of section 2921.01 of the Revised Code;	195 196 197
(8) To provide revenue to finance the construction or renovation of a sports facility, but only if the tax is levied for that purpose in the manner prescribed by section 5739.028 of the Revised Code.	198 199 200 201
As used in division (A) (8) of this section:	202
(a) "Sports facility" means a facility intended to house major league professional athletic teams.	203 204
(b) "Constructing" or "construction" includes providing fixtures, furnishings, and equipment.	205 206
(9) To provide additional revenue for the acquisition of agricultural easements, as defined in section 5301.67 of the Revised Code; to pay principal, interest, and premium on bonds issued under section 133.60 of the Revised Code; and for the supervision and enforcement of agricultural easements held by the county;	207 208 209 210 211 212
(10) To provide revenue for the provision of ambulance, paramedic, or other emergency medical services;	213 214
(11) To provide revenue for the operation of a lake facilities authority and the remediation of an impacted watershed by a lake facilities authority, as provided in Chapter 353. of the Revised Code.	215 216 217 218
Pursuant to section 755.171 of the Revised Code, a board of county commissioners may pledge and contribute revenue from a tax levied for the purpose of division (A) (5) of this section to	219 220 221



the payment of debt charges on bonds issued under section 755.17 222  
of the Revised Code. 223

The rate of tax shall be a multiple of one-fourth of one 224  
per cent, unless a portion of the rate of an existing tax levied 225  
under section 5739.023 of the Revised Code has been reduced, and 226  
the rate of tax levied under this section has been increased, 227  
pursuant to section 5739.028 of the Revised Code, in which case 228  
the aggregate of the rates of tax levied under this section and 229  
section 5739.023 of the Revised Code shall be a multiple of one- 230  
fourth of one per cent. The tax shall be levied and the rate 231  
increased pursuant to a resolution adopted by a majority of the 232  
members of the board. The board shall deliver a certified copy 233  
of the resolution to the tax commissioner, not later than the 234  
sixty-fifth day prior to the date on which the tax is to become 235  
effective, which shall be the first day of a calendar quarter. 236

Prior to the adoption of any resolution to levy the tax or 237  
to increase the rate of tax exclusively for the purpose set 238  
forth in division (A)(3) of this section, the board of county 239  
commissioners shall conduct two public hearings on the 240  
resolution, the second hearing to be no fewer than three nor 241  
more than ten days after the first. Notice of the date, time, 242  
and place of the hearings shall be given by publication in a 243  
newspaper of general circulation in the county, or as provided 244  
in section 7.16 of the Revised Code, once a week on the same day 245  
of the week for two consecutive weeks. The second publication 246  
shall be no fewer than ten nor more than thirty days prior to 247  
the first hearing. Except as provided in division (E) of this 248  
section, the resolution shall be subject to a referendum as 249  
provided in sections 305.31 to 305.41 of the Revised Code. If 250  
the resolution is adopted as an emergency measure necessary for 251  
the immediate preservation of the public peace, health, or 252

safety, it must receive an affirmative vote of all of the 253  
members of the board of county commissioners and shall state the 254  
reasons for the necessity. 255

If the tax is for more than one of the purposes set forth 256  
in divisions (A)(1) to (7), (9), and (10) of this section, or is 257  
exclusively for one of the purposes set forth in division (A) 258  
(1), (2), (4), (5), (6), (7), (9), or (10) of this section, the 259  
resolution shall not go into effect unless it is approved by a 260  
majority of the electors voting on the question of the tax. 261

(B) The board of county commissioners shall adopt a 262  
resolution under section 351.02 of the Revised Code creating the 263  
convention facilities authority, or under section 307.283 of the 264  
Revised Code creating the community improvements board, before 265  
adopting a resolution levying a tax for the purpose of a 266  
convention facilities authority under division (A)(1) of this 267  
section or for the purpose of a community improvements board 268  
under division (A)(4) of this section. 269

(C)(1) If the tax is to be used for more than one of the 270  
purposes set forth in divisions (A)(1) to (7), (9), and (10) of 271  
this section, the board of county commissioners shall establish 272  
the method that will be used to determine the amount or 273  
proportion of the tax revenue received by the county during each 274  
year that will be distributed for each of those purposes, 275  
including, if applicable, provisions governing the reallocation 276  
of a convention facilities authority's allocation if the 277  
authority is dissolved while the tax is in effect. The 278  
allocation method may provide that different proportions or 279  
amounts of the tax shall be distributed among the purposes in 280  
different years, but it shall clearly describe the method that 281  
will be used for each year. Except as otherwise provided in 282

division (C) (2) of this section, the allocation method 283  
established by the board is not subject to amendment during the 284  
life of the tax. 285

(2) Subsequent to holding a public hearing on the proposed 286  
amendment, the board of county commissioners may amend the 287  
allocation method established under division (C) (1) of this 288  
section for any year, if the amendment is approved by the 289  
governing board of each entity whose allocation for the year 290  
would be reduced by the proposed amendment. In the case of a tax 291  
that is levied for a continuing period of time, the board may 292  
not so amend the allocation method for any year before the sixth 293  
year that the tax is in effect. 294

(a) If the additional revenues provided to the convention 295  
facilities authority are pledged by the authority for the 296  
payment of convention facilities authority revenue bonds for as 297  
long as such bonds are outstanding, no reduction of the 298  
authority's allocation of the tax shall be made for any year 299  
except to the extent that the reduced authority allocation, when 300  
combined with the authority's other revenues pledged for that 301  
purpose, is sufficient to meet the debt service requirements for 302  
that year on such bonds. 303

(b) If the additional revenues provided to the county are 304  
pledged by the county for the payment of bonds or notes 305  
described in division (A) (4) or (5) of this section, for as long 306  
as such bonds or notes are outstanding, no reduction of the 307  
county's or the community improvements board's allocation of the 308  
tax shall be made for any year, except to the extent that the 309  
reduced county or community improvements board allocation is 310  
sufficient to meet the debt service requirements for that year 311  
on such bonds or notes. 312

(c) If the additional revenues provided to the transit authority are pledged by the authority for the payment of revenue bonds issued under section 306.37 of the Revised Code, for as long as such bonds are outstanding, no reduction of the authority's allocation of tax shall be made for any year, except to the extent that the authority's reduced allocation, when combined with the authority's other revenues pledged for that purpose, is sufficient to meet the debt service requirements for that year on such bonds.

(d) If the additional revenues provided to the county are pledged by the county for the payment of bonds or notes issued under section 133.60 of the Revised Code, for so long as the bonds or notes are outstanding, no reduction of the county's allocation of the tax shall be made for any year, except to the extent that the reduced county allocation is sufficient to meet the debt service requirements for that year on the bonds or notes.

(D) (1) The resolution levying the tax or increasing the rate of tax shall state the rate of the tax or the rate of the increase; the purpose or purposes for which it is to be levied; the number of years for which it is to be levied or that it is for a continuing period of time; the allocation method required by division (C) of this section; and if required to be submitted to the electors of the county under division (A) of this section, the date of the election at which the proposal shall be submitted to the electors of the county, which shall be not less than ninety days after the certification of a copy of the resolution to the board of elections and, if the tax is to be levied exclusively for the purpose set forth in division (A) (3) of this section, shall not occur in August of any year. Upon certification of the resolution to the board of elections, the

board of county commissioners shall notify the tax commissioner 344  
in writing of the levy question to be submitted to the electors. 345  
If approved by a majority of the electors, the tax shall become 346  
effective on the first day of a calendar quarter next following 347  
the sixty-fifth day following the date the board of county 348  
commissioners and tax commissioner receive from the board of 349  
elections the certification of the results of the election, 350  
except as provided in division (E) of this section. 351

(2) (a) A resolution specifying that the tax is to be used 352  
exclusively for the purpose set forth in division (A) (3) of this 353  
section that is not adopted as an emergency measure may direct 354  
the board of elections to submit the question of levying the tax 355  
or increasing the rate of the tax to the electors of the county 356  
at a special election held on the date specified by the board of 357  
county commissioners in the resolution, provided that the 358  
election occurs not less than ninety days after the resolution 359  
is certified to the board of elections and the election is not 360  
held in August of any year. Upon certification of the resolution 361  
to the board of elections, the board of county commissioners 362  
shall notify the tax commissioner in writing of the levy 363  
question to be submitted to the electors. No resolution adopted 364  
under division (D) (2) (a) of this section shall go into effect 365  
unless approved by a majority of those voting upon it and, 366  
except as provided in division (E) of this section, not until 367  
the first day of a calendar quarter following the expiration of 368  
sixty-five days from the date the tax commissioner receives 369  
notice from the board of elections of the affirmative vote. 370

(b) A resolution specifying that the tax is to be used 371  
exclusively for the purpose set forth in division (A) (3) of this 372  
section that is adopted as an emergency measure shall become 373  
effective as provided in division (A) of this section, but may 374

direct the board of elections to submit the question of 375  
repealing the tax or increase in the rate of the tax to the 376  
electors of the county at the next general election in the 377  
county occurring not less than ninety days after the resolution 378  
is certified to the board of elections. Upon certification of 379  
the resolution to the board of elections, the board of county 380  
commissioners shall notify the tax commissioner in writing of 381  
the levy question to be submitted to the electors. The ballot 382  
question shall be the same as that prescribed in section 383  
5739.022 of the Revised Code. The board of elections shall 384  
notify the board of county commissioners and the tax 385  
commissioner of the result of the election immediately after the 386  
result has been declared. If a majority of the qualified 387  
electors voting on the question of repealing the tax or increase 388  
in the rate of the tax vote for repeal of the tax or repeal of 389  
the increase, the board of county commissioners, on the first 390  
day of a calendar quarter following the expiration of sixty-five 391  
days after the date the board and tax commissioner received 392  
notice of the result of the election, shall, in the case of a 393  
repeal of the tax, cease to levy the tax, or, in the case of a 394  
repeal of an increase in the rate of the tax, cease to levy the 395  
increased rate and levy the tax at the rate at which it was 396  
imposed immediately prior to the increase in rate. 397

(c) A board of county commissioners, by resolution, may 398  
reduce the rate of a tax levied exclusively for the purpose set 399  
forth in division (A) (3) of this section to a lower rate 400  
authorized by this section. Any such reduction shall be made 401  
effective on the first day of the calendar quarter next 402  
following the sixty-fifth day after the tax commissioner 403  
receives a certified copy of the resolution from the board. 404

(E) If a vendor makes a sale in this state by printed 405

catalog and the consumer computed the tax on the sale based on 406  
local rates published in the catalog, any tax levied or repealed 407  
or rate changed under this section shall not apply to such a 408  
sale until the first day of a calendar quarter following the 409  
expiration of one hundred twenty days from the date of notice by 410  
the tax commissioner pursuant to division (G) of this section. 411

(F) The tax levied pursuant to this section shall be in 412  
addition to the tax levied by section 5739.02 of the Revised 413  
Code and any tax levied pursuant to section 5739.021 or 5739.023 414  
of the Revised Code. 415

A county that levies a tax pursuant to this section shall 416  
levy a tax at the same rate pursuant to section 5741.023 of the 417  
Revised Code. 418

The additional tax levied by the county shall be collected 419  
pursuant to section 5739.025 of the Revised Code. 420

Any tax levied pursuant to this section is subject to the 421  
exemptions provided in section 5739.02 of the Revised Code and 422  
in addition shall not be applicable to sales not within the 423  
taxing power of a county under the Constitution of the United 424  
States or the Ohio Constitution. 425

(G) Upon receipt from a board of county commissioners of a 426  
certified copy of a resolution required by division (A) of this 427  
section, or from the board of elections a notice of the results 428  
of an election required by division (D) (1), (2) (a), (b), or (c) 429  
of this section, the tax commissioner shall provide notice of a 430  
tax rate change in a manner that is reasonably accessible to all 431  
affected vendors. The commissioner shall provide this notice at 432  
least sixty days prior to the effective date of the rate change. 433  
The commissioner, by rule, may establish the method by which 434

notice will be provided. 435

**Section 2.** That existing sections 307.283 and 5739.026 of 436  
the Revised Code are hereby repealed. 437

**Section 3.** The amendment by this act of sections 307.283 438  
and 5739.026 of the Revised Code applies to grants awarded by a 439  
community improvements board on or after the effective date of 440  
this section as long as the act's amendments concerning the use 441  
of the grant revenue, as defined in section 307.283 of the 442  
Revised Code, are not inconsistent with the board of county 443  
commissioner's resolution levying the tax or the ballot language 444  
approved by the electors of the county. 445