

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

**127th General Assembly
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Sub. S. B. No. 185

Senator Schuler

**Cosponsors: Senators Kearney, Cates, Grendell, Seitz, Carey, Gardner,
Harris, Sawyer, Wilson, Fedor, Morano, Spada, Boccieri
Representatives Daniels, Brown, Collier, Domenick, Flowers, Lundy,
Reinhard, Schneider, Skindell**

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A B I L L

To amend sections 127.14, 131.18, 131.44, 131.51,	1
133.10, 135.35, 135.352, 149.411, 321.08, 3375.05,	2
3375.121, 3375.32, 3375.35, 3375.36, 3375.37,	3
3375.38, 3375.39, 3375.40, 3375.404, 3375.41,	4
3375.42, 3375.85, 3375.91, 3375.92, 5705.28,	5
5705.281, 5705.31, 5705.32, 5705.321, 5705.37,	6
5715.36, 5719.041, 5747.03, 5747.46, 5747.47,	7
5747.48, 5747.51, and 5747.52 and to enact	8
sections 3375.351, 3375.64, 3375.65, 3375.66, and	9
3375.67 of the Revised Code and to amend Section	10
323.10 of H.B. 119 of the 127th General Assembly	11
to revise certain laws governing public libraries,	12
to change the name of the Library and Local	13
Government Support Fund, and to codify the	14
creation of the Ohio Public Library Information	15
Network.	16

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

Section 1. That sections 127.14, 131.18, 131.44, 131.51, 17
133.10, 135.35, 135.352, 149.411, 321.08, 3375.05, 3375.121, 18
3375.32, 3375.35, 3375.36, 3375.37, 3375.38, 3375.39, 3375.40, 19
3375.404, 3375.41, 3375.42, 3375.85, 3375.91, 3375.92, 5705.28, 20
5705.281, 5705.31, 5705.32, 5705.321, 5705.37, 5715.36, 5719.041, 21
5747.03, 5747.46, 5747.47, 5747.48, 5747.51, and 5747.52 be 22
amended and sections 3375.351, 3375.64, 3375.65, 3375.66, and 23
3375.67 of the Revised Code be enacted to read as follows: 24

Sec. 127.14. The controlling board may, at the request of any 25
state agency or the director of budget and management, authorize, 26
with respect to the provisions of any appropriation act: 27

(A) Transfers of all or part of an appropriation within but 29
not between state agencies, except such transfers as the director 30
of budget and management is authorized by law to make, provided 31
that no transfer shall be made by the director for the purpose of 32
effecting new or changed levels of program service not authorized 33
by the general assembly; 34

(B) Transfers of all or part of an appropriation from one 35
fiscal year to another; 36

(C) Transfers of all or part of an appropriation within or 37
between state agencies made necessary by administrative 38
reorganization or by the abolition of an agency or part of an 39
agency; 40

(D) Transfers of all or part of cash balances in excess of 41
needs from any fund of the state to the general revenue fund or to 42
such other fund of the state to which the money would have been 43
credited in the absence of the fund from which the transfers are 44
authorized to be made, except that the controlling board may not 45
authorize such transfers from the accrued leave liability fund, 46

auto registration distribution fund, budget stabilization fund, 47
development bond retirement fund, facilities establishment fund, 48
gasoline excise tax fund, general revenue fund, higher education 49
improvement fund, highway improvement bond retirement fund, 50
highway obligations bond retirement fund, highway capital 51
improvement fund, highway operating fund, horse racing tax fund, 52
improvements bond retirement fund, public library ~~and local~~ 53
~~government support~~ fund, liquor control fund, local government 54
fund, local transportation improvement program fund, mental health 55
facilities improvement fund, Ohio fairs fund, parks and recreation 56
improvement fund, public improvements bond retirement fund, school 57
district income tax fund, state agency facilities improvement 58
fund, state and local government highway distribution fund, state 59
highway safety fund, state lottery fund, undivided liquor permit 60
fund, Vietnam conflict compensation bond retirement fund, 61
volunteer fire fighters' dependents fund, waterways safety fund, 62
wildlife fund, workers' compensation fund, or any fund not 63
specified in this division that the director of budget and 64
management determines to be a bond fund or bond retirement fund; 65

(E) Transfers of all or part of those appropriations included 66
in the emergency purposes account of the controlling board; 67

(F) Temporary transfers of all or part of an appropriation or 68
other moneys into and between existing funds, or new funds, as may 69
be established by law when needed for capital outlays for which 70
notes or bonds will be issued; 71

(G) Transfer or release of all or part of an appropriation to 72
a state agency requiring controlling board approval of such 73
transfer or release as provided by law; 74

(H) Temporary transfer of funds included in the emergency 75
purposes appropriation of the controlling board. Such temporary 76
transfers may be made subject to conditions specified by the 77
controlling board at the time temporary transfers are authorized. 78

No transfers shall be made under this division for the purpose of 79
effecting new or changed levels of program service not authorized 80
by the general assembly. 81

As used in this section, "request" means an application by a 82
state agency or the director of budget and management seeking some 83
action by the controlling board. 84

When authorizing the transfer of all or part of an 85
appropriation under this section, the controlling board may 86
authorize the transfer to an existing appropriation item and the 87
creation of and transfer to a new appropriation item. 88

Whenever there is a transfer of all or part of funds included 89
in the emergency purposes appropriation by the controlling board, 90
pursuant to division (E) of this section, the state agency or the 91
director of budget and management receiving such transfer shall 92
keep a detailed record of the use of the transferred funds. At the 93
earliest scheduled meeting of the controlling board following the 94
accomplishment of the purposes specified in the request originally 95
seeking the transfer, or following the total expenditure of the 96
transferred funds for the specified purposes, the state agency or 97
the director of budget and management shall submit a report on the 98
expenditure of such funds to the board. The portion of any 99
appropriation so transferred which is not required to accomplish 100
the purposes designated in the original request to the controlling 101
board shall be returned to the proper appropriation of the 102
controlling board at this time. 103

Notwithstanding any provisions of law providing for the 104
deposit of revenues received by a state agency to the credit of a 105
particular fund in the state treasury, whenever there is a 106
temporary transfer of funds included in the emergency purposes 107
appropriation of the controlling board pursuant to division (H) of 108
this section, revenues received by any state agency receiving such 109
a temporary transfer of funds shall, as directed by the 110

controlling board, be transferred back to the emergency purposes 111
appropriation. 112

The board may delegate to the director of budget and 113
management authority to approve transfers among items of 114
appropriation under division (A) of this section. 115

Sec. 131.18. When a loss of public funds, entrusted to a 116
county or municipal corporation treasurer or to a clerk of the 117
court of common pleas, clerk of the court of appeals, clerk of the 118
municipal court, clerk of the county court, judge of the probate 119
court as clerk of such court, judge of the juvenile court as clerk 120
of such court, or to a township or school district treasurer, or a 121
~~clerk~~ fiscal officer of the board of trustees of a public library 122
by virtue of ~~his~~ the treasurer's, clerk's, judge's, or fiscal 123
officer's office, results from fire, robbery, burglary, flood, or 124
inability of a bank to refund public money lawfully in its 125
possession belonging to such public funds, the board of county 126
commissioners, board of township trustees, the legislative 127
authority of the municipal corporation, the board of education, or 128
the board of library trustees, respectively, may release and 129
discharge such treasurer, clerk, ~~or~~ judge, or fiscal officer from 130
all personal liability to or demands of such county, township, 131
municipal corporation, school district, or public library, for the 132
loss so created unless the loss resulted from ~~his~~ the treasurer's, 133
clerk's, judge's, or fiscal officer's negligence or other wrongful 134
act. 135

Sec. 131.44. (A) As used in this section: 136

(1) "Surplus revenue" means the excess, if any, of the total 137
fund balance over the required year-end balance. 138

(2) "Total fund balance" means the sum of the unencumbered 139
balance in the general revenue fund on the last day of the 140

preceding fiscal year plus the balance in the budget stabilization fund.	141 142
(3) "Required year-end balance" means the sum of the following:	143 144
(a) Five per cent of the general revenue fund revenues for the preceding fiscal year;	145 146
(b) "Ending fund balance," which means one-half of one per cent of general revenue fund revenues for the preceding fiscal year;	147 148 149
(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;	150 151 152 153 154
(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;	155 156 157 158
(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.	159 160 161 162 163 164
(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:	165 166 167 168
(a) Appropriations made and transfers of appropriations from the first fiscal year to the second fiscal year of the biennium in	169 170

provisions of acts of the general assembly signed by the governor	171
but not yet effective;	172
(b) Transfers of appropriation from the first fiscal year to	173
the second fiscal year of the biennium approved by the controlling	174
board.	175
(5) "Estimated general revenue fund revenue" means the most	176
recent such estimate available to the director of budget and	177
management.	178
(B)(1) Not later than the thirty-first day of July each year,	179
the director of budget and management shall determine the surplus	180
revenue that existed on the preceding thirtieth day of June and	181
transfer from the general revenue fund, to the extent of the	182
unobligated, unencumbered balance on the preceding thirtieth day	183
of June in excess of one-half of one per cent of the general	184
revenue fund revenues in the preceding fiscal year, the following:	185
(a) First, to the budget stabilization fund, any amount	186
necessary for the balance of the budget stabilization fund to	187
equal five per cent of the general revenue fund revenues of the	188
preceding fiscal year;	189
(b) Then, to the income tax reduction fund, which is hereby	190
created in the state treasury, an amount equal to the surplus	191
revenue.	192
(2) Not later than the thirty-first day of July each year,	193
the director shall determine the percentage that the balance in	194
the income tax reduction fund is of the amount of revenue that the	195
director estimates will be received from the tax levied under	196
section 5747.02 of the Revised Code in the current fiscal year	197
without regard to any reduction under division (B) of that	198
section. If that percentage exceeds thirty-five one hundredths of	199
one per cent, the director shall certify the percentage to the tax	200
commissioner not later than the thirty-first day of July.	201

(C) The director of budget and management shall transfer 202
money in the income tax reduction fund to the general revenue 203
fund, the local government fund, and the public library ~~and local~~ 204
~~government support~~ fund as necessary to offset revenue reductions 205
resulting from the reductions in taxes required under division (B) 206
of section 5747.02 of the Revised Code in the respective amounts 207
and percentages prescribed by division (A) of section 5747.03 and 208
divisions (A) and (B) of section 131.51 of the Revised Code as if 209
the amount transferred had been collected as taxes under Chapter 210
5747. of the Revised Code. If no reductions in taxes are made 211
under that division that affect revenue received in the current 212
fiscal year, the director shall not transfer money from the income 213
tax reduction fund to the general revenue fund, the local 214
government fund, and the public library ~~and local government~~ 215
~~support~~ fund. 216

Sec. 131.51. (A) Beginning January 2008, on or before the 217
fifth day of each month, the director of budget and management 218
shall credit to the local government fund three and sixty-eight 219
one hundredths per cent of total tax revenue credited to the 220
general revenue fund during the preceding month. In determining 221
the total tax revenue credited to the general revenue fund during 222
the preceding month, the director shall include amounts 223
transferred from that fund during the preceding month pursuant to 224
divisions (A) and (B) of this section. Money shall be distributed 225
from the local government fund as required under section 5747.50 226
of the Revised Code during the same month in which it is credited 227
to the fund. 228

(B) Beginning January 2008, on or before the fifth day of 229
each month, the director of budget and management shall credit to 230
the public library ~~and local government support~~ fund, two and 231
twenty-two one hundredths per cent of the total tax revenue 232
credited to the general revenue fund during the preceding month. 233

In determining the total tax revenue credited to the general revenue fund during the preceding month, the director shall include amounts transferred from that fund during the preceding month pursuant to divisions (A) and (B) of this section. Money shall be distributed from the public library ~~and local government support~~ 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.

Sec. 133.10. (A) In anticipation of the collection of current property tax revenues in and for any fiscal year, the taxing authority of any subdivision may issue securities, but the aggregate principal amount of such securities shall not exceed one-half of the amount that the budget commission estimates the subdivision will receive from property taxes in that fiscal year and prior to the last day of the sixth month following the month in which the securities are issued, other than taxes to be received for the payment of debt charges or allocated to debt charges on securities issued pursuant to division (C) of this section, and less all advances. When a partial, semiannual, or final property tax settlement is delayed, securities may also be issued in anticipation of the receipt of property taxes levied or collected for debt charges to the extent necessary to meet such debt charges but not in excess of such estimated receipts, less all advances. The securities issued pursuant to this division (A) shall mature not later than the last day of the sixth month following the month in which the securities are issued and in any case not later than the last day of the fiscal year in which they are issued.

(B) In anticipation of the collection of current revenues in 266
and for any fiscal year from any source or combination of sources, 267
including distributions of any federal or state moneys, other than 268
the proceeds of property taxes levied by the subdivision, the 269
taxing authority of any subdivision may issue securities, but the 270
aggregate principal amount of such securities shall not exceed 271
one-half of the amount estimated by the fiscal officer to be 272
received by the subdivision from such sources during the remainder 273
of such fiscal year, less advances and prior collections. 274

(C) In anticipation of the collection of current property tax 275
revenues in and for any fiscal year, the taxing authority of a 276
county, municipal corporation, township, or school district may 277
issue securities, but the aggregate principal amount of those 278
securities and of any securities issued pursuant to division (A) 279
of this section outstanding at the time of issuance shall not 280
exceed one-half of the amount that the budget commission estimates 281
the subdivision will receive from all property taxes that are to 282
be distributed to the subdivision from all settlements of taxes 283
that are to be made in the remainder of that fiscal year, other 284
than taxes to be received for the payment of debt charges, and 285
less all advances. 286

(D) When the tax settlement scheduled under division (B) of 287
section 321.24 of the Revised Code is delayed pursuant to division 288
(E) of that section, the taxing authority of a school district may 289
issue property tax anticipation securities against the taxes to be 290
included in that settlement, but the aggregate principal amount of 291
all securities outstanding against those taxes shall not exceed 292
ninety per cent of the amount estimated to be received from that 293
settlement by the budget commission, other than taxes to be 294
received for the payment of debt charges, and less all advances. 295
The securities issued pursuant to this division (D) shall mature 296
on or before the next ensuing thirty-first day of August. 297

(E) This division applies to all securities authorized by 298
this section. 299

(1) The amounts from the sources anticipated needed to pay 300
debt charges and financing costs shall be considered appropriated 301
for that purpose, and other appropriations from those sources by 302
the taxing authority shall be limited to the balance available 303
after deducting the amount to pay those debt charges and financing 304
costs. The portions of those amounts as received and to be applied 305
to those debt charges shall be deposited and set aside in an 306
account for the purpose in the bond retirement fund in the amounts 307
and at the times required to pay those debt charges as provided 308
for by the authorizing legislation or otherwise provided by law. 309

(2) Except as otherwise provided in division (H) of this 310
section, the securities shall not be issued prior to the first day 311
and, except as otherwise provided in divisions (A) and (D) of this 312
section, shall mature not later than the last day of the fiscal 313
year for which the revenues are anticipated. 314

(3) The proceeds of the principal amount of the securities 315
shall be used only for the purposes for which the amounts 316
anticipated were levied, collected, distributed, and appropriated, 317
and for financing costs related to those securities. 318

(4) Property taxes include distributions from the state in 319
payment of credits against or partial exemptions from, or 320
reduction of, property taxes. 321

(5) If for any reason debt charges on securities authorized 322
by this section are not paid by the subdivision in the fiscal year 323
when due, the taxing authority of the subdivision shall include in 324
its next annual appropriation measure an amount sufficient to pay 325
those debt charges, and the county auditor and county treasurer 326
shall withhold, in a custodial account, amounts due the 327
subdivision from the sources anticipated until such amount is 328

accumulated by those officers and they directly pay or provide, 329
through the paying agent or otherwise, for the payment of those 330
debt charges. 331

(F) The authority to issue securities under divisions (A) and 332
(B) of this section may be exercised by any board of library 333
trustees of a public library, or board of park commissioners of a 334
township, to which the budget commission has allotted a share of 335
the local government fund under section 5747.51 of the Revised 336
Code or of the public library ~~and local government support~~ fund 337
under section 5707.051 of the Revised Code. 338

(G) The taxing authority of a school district issuing 339
securities under division (A), (C), or (D) of this section shall 340
in the legislation authorizing the securities affirm the levy of, 341
or covenant to levy, the anticipated property taxes to be 342
collected in the following year. 343

(H) The taxing authority of a school district may issue 344
securities authorized by this section on or after the tenth day 345
preceding the first day of the fiscal year for which the revenues 346
are anticipated; provided, that if the taxing authority of a 347
school district issues securities authorized by this section prior 348
to the first day of the fiscal year for which the revenues are 349
anticipated: 350

(1) None of the proceeds received by the school district from 351
the sale of the securities shall be considered available for 352
appropriation prior to the first day of the fiscal year for which 353
the revenues are anticipated; and 354

(2) None of the proceeds received by the school district from 355
the sale of the securities shall be expended prior to the first 356
day of the fiscal year for which the revenues are anticipated. 357

Sec. 135.35. (A) The investing authority shall deposit or 358

invest any part or all of the county's inactive moneys and shall 359
invest all of the money in the county public library ~~and local~~ 360
~~government support~~ fund when required by section 135.352 of the 361
Revised Code. The following classifications of securities and 362
obligations are eligible for such deposit or investment: 363

(1) United States treasury bills, notes, bonds, or any other 364
obligation or security issued by the United States treasury, any 365
other obligation guaranteed as to principal or interest by the 366
United States, or any book entry, zero-coupon United States 367
treasury security that is a direct obligation of the United 368
States. 369

Nothing in the classification of eligible securities and 370
obligations set forth in divisions (A)(2) to (11) of this section 371
shall be construed to authorize any investment in stripped 372
principal or interest obligations of such eligible securities and 373
obligations. 374

(2) Bonds, notes, debentures, or any other obligations or 375
securities issued by any federal government agency or 376
instrumentality, including but not limited to, the federal 377
national mortgage association, federal home loan bank, federal 378
farm credit bank, federal home loan mortgage corporation, 379
government national mortgage association, and student loan 380
marketing association. All federal agency securities shall be 381
direct issuances of federal government agencies or 382
instrumentalities. 383

(3) Time certificates of deposit or savings or deposit 384
accounts, including, but not limited to, passbook accounts, in any 385
eligible institution mentioned in section 135.32 of the Revised 386
Code; 387

(4) Bonds and other obligations of this state or the 388
political subdivisions of this state, provided that such political 389

subdivisions are located wholly or partly within the same county 390
as the investing authority; 391

(5) No-load money market mutual funds consisting exclusively 392
of obligations described in division (A)(1) or (2) of this section 393
and repurchase agreements secured by such obligations, provided 394
that investments in securities described in this division are made 395
only through eligible institutions mentioned in section 135.32 of 396
the Revised Code; 397

(6) The Ohio subdivision's fund as provided in section 135.45 398
of the Revised Code; 399

(7) Securities lending agreements with any eligible 400
institution mentioned in section 135.32 of the Revised Code that 401
is a member of the federal reserve system or federal home loan 402
bank or with any recognized United States government securities 403
dealer meeting the description in division (J)(1) of this section, 404
under the terms of which agreements the investing authority lends 405
securities and the eligible institution or dealer agrees to 406
simultaneously exchange similar securities or cash, equal value 407
for equal value. 408

Securities and cash received as collateral for a securities 409
lending agreement are not inactive moneys of the county or moneys 410
of a county public library ~~and local government support~~ fund. The 411
investment of cash collateral received pursuant to a securities 412
lending agreement may be invested only in instruments specified by 413
the investing authority in the written investment policy described 414
in division (K) of this section. 415

(8) Up to twenty-five per cent of the county's total average 416
portfolio in either of the following investments: 417

(a) Commercial paper notes issued by an entity that is 418
defined in division (D) of section 1705.01 of the Revised Code and 419
that has assets exceeding five hundred million dollars, to which 420

notes all of the following apply:	421
(i) The notes are rated at the time of purchase in the highest classification established by at least two nationally recognized standard rating services.	422 423 424
(ii) The aggregate value of the notes does not exceed ten per cent of the aggregate value of the outstanding commercial paper of the issuing corporation.	425 426 427
(iii) The notes mature not later than two hundred seventy days after purchase.	428 429
(b) Bankers acceptances of banks that are insured by the federal deposit insurance corporation and to which both of the following apply:	430 431 432
(i) The obligations are eligible for purchase by the federal reserve system.	433 434
(ii) The obligations mature not later than one hundred eighty days after purchase.	435 436
No investment shall be made pursuant to division (A)(8) of this section unless the investing authority has completed additional training for making the investments authorized by division (A)(8) of this section. The type and amount of additional training shall be approved by the auditor of state and may be conducted by or provided under the supervision of the auditor of state.	437 438 439 440 441 442 443
(9) Up to fifteen per cent of the county's total average portfolio in notes issued by corporations that are incorporated under the laws of the United States and that are operating within the United States, or by depository institutions that are doing business under authority granted by the United States or any state and that are operating within the United States, provided both of the following apply:	444 445 446 447 448 449 450

(a) The notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase.

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(b) The notes mature not later than two years after purchase.

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(10) No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service and consisting exclusively of obligations described in division (A)(1), (2), or (6) of section 135.143 of the Revised Code;

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(11) Debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government. All interest and principal shall be denominated and payable in United States funds. The investments made under division (A)(11) of this section shall not exceed in the aggregate one per cent of a county's total average portfolio.

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The investing authority shall invest under division (A)(11) of this section in a debt interest issued by a foreign nation only if the debt interest is backed by the full faith and credit of that foreign nation, there is no prior history of default, and the debt interest matures not later than five years after purchase. For purposes of division (A)(11) of this section, a debt interest is rated in the three highest categories by two nationally recognized standard rating services if either the debt interest itself or the issuer of the debt interest is rated, or is implicitly rated, at the time of purchase in the three highest categories by two nationally recognized standard rating services.

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(B) Nothing in the classifications of eligible obligations and securities set forth in divisions (A)(1) to (11) of this section shall be construed to authorize investment in a

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derivative, and no investing authority shall invest any county 482
inactive moneys or any moneys in a county public library ~~and local~~ 483
~~government support~~ fund in a derivative. For purposes of this 484
division, "derivative" means a financial instrument or contract or 485
obligation whose value or return is based upon or linked to 486
another asset or index, or both, separate from the financial 487
instrument, contract, or obligation itself. Any security, 488
obligation, trust account, or other instrument that is created 489
from an issue of the United States treasury or is created from an 490
obligation of a federal agency or instrumentality or is created 491
from both is considered a derivative instrument. An eligible 492
investment described in this section with a variable interest rate 493
payment, based upon a single interest payment or single index 494
comprised of other eligible investments provided for in division 495
(A)(1) or (2) of this section, is not a derivative, provided that 496
such variable rate investment has a maximum maturity of two years. 497
A treasury inflation-protected security shall not be considered a 498
derivative, provided the security matures not later than five 499
years after purchase. 500

(C) Except as provided in division (D) of this section, any 501
investment made pursuant to this section must mature within five 502
years from the date of settlement, unless the investment is 503
matched to a specific obligation or debt of the county or to a 504
specific obligation or debt of a political subdivision of this 505
state located wholly or partly within the county, and the 506
investment is specifically approved by the investment advisory 507
committee. 508

(D) The investing authority may also enter into a written 509
repurchase agreement with any eligible institution mentioned in 510
section 135.32 of the Revised Code or any eligible securities 511
dealer pursuant to division (J) of this section, under the terms 512
of which agreement the investing authority purchases and the 513

eligible institution or dealer agrees unconditionally to 514
repurchase any of the securities listed in divisions (B)(1) to 515
(5), except letters of credit described in division (B)(2), of 516
section 135.18 of the Revised Code. The market value of securities 517
subject to an overnight written repurchase agreement must exceed 518
the principal value of the overnight written repurchase agreement 519
by at least two per cent. A written repurchase agreement must 520
exceed the principal value of the overnight written repurchase 521
agreement, by at least two per cent. A written repurchase 522
agreement shall not exceed thirty days, and the market value of 523
securities subject to a written repurchase agreement must exceed 524
the principal value of the written repurchase agreement by at 525
least two per cent and be marked to market daily. All securities 526
purchased pursuant to this division shall be delivered into the 527
custody of the investing authority or the qualified custodian of 528
the investing authority or an agent designated by the investing 529
authority. A written repurchase agreement with an eligible 530
securities dealer shall be transacted on a delivery versus payment 531
basis. The agreement shall contain the requirement that for each 532
transaction pursuant to the agreement the participating 533
institution shall provide all of the following information: 534

- (1) The par value of the securities; 535
- (2) The type, rate, and maturity date of the securities; 536
- (3) A numerical identifier generally accepted in the 537
securities industry that designates the securities. 538

No investing authority shall enter into a written repurchase 539
agreement under the terms of which the investing authority agrees 540
to sell securities owned by the county to a purchaser and agrees 541
with that purchaser to unconditionally repurchase those 542
securities. 543

(E) No investing authority shall make an investment under 544

this section, unless the investing authority, at the time of 545
making the investment, reasonably expects that the investment can 546
be held until its maturity. The investing authority's written 547
investment policy shall specify the conditions under which an 548
investment may be redeemed or sold prior to maturity. 549

(F) No investing authority shall pay a county's inactive 550
moneys or moneys of a county public library ~~and local government~~ 551
~~support~~ fund into a fund established by another subdivision, 552
treasurer, governing board, or investing authority, if that fund 553
was established by the subdivision, treasurer, governing board, or 554
investing authority for the purpose of investing or depositing the 555
public moneys of other subdivisions. This division does not apply 556
to the payment of public moneys into either of the following: 557

(1) The Ohio subdivision's fund pursuant to division (A)(6) 558
of this section; 559

(2) A fund created solely for the purpose of acquiring, 560
constructing, owning, leasing, or operating municipal utilities 561
pursuant to the authority provided under section 715.02 of the 562
Revised Code or Section 4 of Article XVIII, Ohio Constitution. 563

For purposes of division (F) of this section, "subdivision" 564
includes a county. 565

(G) The use of leverage, in which the county uses its current 566
investment assets as collateral for the purpose of purchasing 567
other assets, is prohibited. The issuance of taxable notes for the 568
purpose of arbitrage is prohibited. Contracting to sell securities 569
not owned by the county, for the purpose of purchasing such 570
securities on the speculation that bond prices will decline, is 571
prohibited. 572

(H) Any securities, certificates of deposit, deposit 573
accounts, or any other documents evidencing deposits or 574
investments made under authority of this section shall be issued 575

in the name of the county with the county treasurer or investing 576
authority as the designated payee. If any such deposits or 577
investments are registrable either as to principal or interest, or 578
both, they shall be registered in the name of the treasurer. 579

(I) The investing authority shall be responsible for the 580
safekeeping of all documents evidencing a deposit or investment 581
acquired under this section, including, but not limited to, 582
safekeeping receipts evidencing securities deposited with a 583
qualified trustee, as provided in section 135.37 of the Revised 584
Code, and documents confirming the purchase of securities under 585
any repurchase agreement under this section shall be deposited 586
with a qualified trustee, provided, however, that the qualified 587
trustee shall be required to report to the investing authority, 588
auditor of state, or an authorized outside auditor at any time 589
upon request as to the identity, market value, and location of the 590
document evidencing each security, and that if the participating 591
institution is a designated depository of the county for the 592
current period of designation, the securities that are the subject 593
of the repurchase agreement may be delivered to the treasurer or 594
held in trust by the participating institution on behalf of the 595
investing authority. 596

Upon the expiration of the term of office of an investing 597
authority or in the event of a vacancy in the office for any 598
reason, the officer or the officer's legal representative shall 599
transfer and deliver to the officer's successor all documents 600
mentioned in this division for which the officer has been 601
responsible for safekeeping. For all such documents transferred 602
and delivered, the officer shall be credited with, and the 603
officer's successor shall be charged with, the amount of moneys 604
evidenced by such documents. 605

(J)(1) All investments, except for investments in securities 606
described in divisions (A)(5) and (6) of this section, shall be 607

made only through a member of the national association of 608
securities dealers, through a bank, savings bank, or savings and 609
loan association regulated by the superintendent of financial 610
institutions, or through an institution regulated by the 611
comptroller of the currency, federal deposit insurance 612
corporation, or board of governors of the federal reserve system. 613

(2) Payment for investments shall be made only upon the 614
delivery of securities representing such investments to the 615
treasurer, investing authority, or qualified trustee. If the 616
securities transferred are not represented by a certificate, 617
payment shall be made only upon receipt of confirmation of 618
transfer from the custodian by the treasurer, governing board, or 619
qualified trustee. 620

(K)(1) Except as otherwise provided in division (K)(2) of 621
this section, no investing authority shall make an investment or 622
deposit under this section, unless there is on file with the 623
auditor of state a written investment policy approved by the 624
investing authority. The policy shall require that all entities 625
conducting investment business with the investing authority shall 626
sign the investment policy of that investing authority. All 627
brokers, dealers, and financial institutions, described in 628
division (J)(1) of this section, initiating transactions with the 629
investing authority by giving advice or making investment 630
recommendations shall sign the investing authority's investment 631
policy thereby acknowledging their agreement to abide by the 632
policy's contents. All brokers, dealers, and financial 633
institutions, described in division (J)(1) of this section, 634
executing transactions initiated by the investing authority, 635
having read the policy's contents, shall sign the investment 636
policy thereby acknowledging their comprehension and receipt. 637

(2) If a written investment policy described in division 638
(K)(1) of this section is not filed on behalf of the county with 639

the auditor of state, the investing authority of that county shall 640
invest the county's inactive moneys and moneys of the county 641
~~public library and local government support~~ fund only in time 642
certificates of deposits or savings or deposit accounts pursuant 643
to division (A)(3) of this section, no-load money market mutual 644
funds pursuant to division (A)(5) of this section, or the Ohio 645
subdivision's fund pursuant to division (A)(6) of this section. 646

(L)(1) The investing authority shall establish and maintain 647
an inventory of all obligations and securities acquired by the 648
investing authority pursuant to this section. The inventory shall 649
include a description of each obligation or security, including 650
type, cost, par value, maturity date, settlement date, and any 651
coupon rate. 652

(2) The investing authority shall also keep a complete record 653
of all purchases and sales of the obligations and securities made 654
pursuant to this section. 655

(3) The investing authority shall maintain a monthly 656
portfolio report and issue a copy of the monthly portfolio report 657
describing such investments to the county investment advisory 658
committee, detailing the current inventory of all obligations and 659
securities, all transactions during the month that affected the 660
inventory, any income received from the obligations and 661
securities, and any investment expenses paid, and stating the 662
names of any persons effecting transactions on behalf of the 663
investing authority. 664

(4) The monthly portfolio report shall be a public record and 665
available for inspection under section 149.43 of the Revised Code. 666

(5) The inventory and the monthly portfolio report shall be 667
filed with the board of county commissioners. 668

(M) An investing authority may enter into a written 669
investment or deposit agreement that includes a provision under 670

which the parties agree to submit to nonbinding arbitration to 671
settle any controversy that may arise out of the agreement, 672
including any controversy pertaining to losses of public moneys 673
resulting from investment or deposit. The arbitration provision 674
shall be set forth entirely in the agreement, and the agreement 675
shall include a conspicuous notice to the parties that any party 676
to the arbitration may apply to the court of common pleas of the 677
county in which the arbitration was held for an order to vacate, 678
modify, or correct the award. Any such party may also apply to the 679
court for an order to change venue to a court of common pleas 680
located more than one hundred miles from the county in which the 681
investing authority is located. 682

For purposes of this division, "investment or deposit 683
agreement" means any agreement between an investing authority and 684
a person, under which agreement the person agrees to invest, 685
deposit, or otherwise manage, on behalf of the investing 686
authority, a county's inactive moneys or moneys in a county public 687
~~library and local government support~~ fund, or agrees to provide 688
investment advice to the investing authority. 689

(N) An investment held in the county portfolio on September 690
27, 1996, that was a legal investment under the law as it existed 691
before September 27, 1996, may be held until maturity, or if the 692
investment does not have a maturity date the investment may be 693
held until five years from September 27, 1996, regardless of 694
whether the investment would qualify as a legal investment under 695
the terms of this section as amended. 696

Sec. 135.352. The investment authority shall invest all 697
moneys in the county public ~~library and local government support~~ 698
fund that are not distributed due to an appeal of the budget 699
commission's allocation of such fund. Interest earned on such 700
investments shall be credited to the fund and distributed in 701

accordance with section 5747.48 of the Revised Code. 702

Sec. 149.411. There is hereby created in each county free 703
public library, municipal free public library, township free 704
public library, school district free public library as described 705
in section 3375.15 of the Revised Code, county library district, 706
and regional library district a library records commission 707
composed of the members and the ~~clerk~~ fiscal officer of the board 708
of library trustees of the appropriate public library or library 709
district. The commission shall meet at least once every twelve 710
months. 711

The functions of the commission shall be to review 712
applications for one-time disposal of obsolete records and 713
schedules of records retention and disposition submitted by any 714
employee of the library. The commission may dispose of records 715
pursuant to the procedure outlined in this section. The commission 716
at any time may review any schedule it has previously approved and 717
for good cause shown may revise that schedule. 718

When the appropriate library records commission has approved 719
any library application for one-time disposal of obsolete records 720
or any schedule of records retention and disposition, the 721
commission shall send that application or schedule to the Ohio 722
historical society for its review. The Ohio historical society 723
shall review the application or schedule within a period of not 724
more than sixty days after its receipt of it. Upon completion of 725
its review, the Ohio historical society shall forward the 726
application for one-time disposal of obsolete records or the 727
schedule of records retention and disposition to the auditor of 728
state for the auditor's approval or disapproval. The auditor shall 729
approve or disapprove the application or schedule within a period 730
of not more than sixty days after receipt of it. Before public 731
records are to be disposed of, the commission shall inform the 732

Ohio historical society of the disposal through the submission of 733
a certificate of records disposal and shall give the society the 734
opportunity for a period of fifteen business days to select for 735
its custody those public records that it considers to be of 736
continuing historical value. The Ohio historical society may not 737
review or select for its custody any records pursuant to section 738
149.432 of the Revised Code. 739

Sec. 321.08. The county treasurer shall enter on ~~his~~ the 740
treasurer's account each day the money received for advance 741
payments of taxes and taxes charged on the general and special 742
duplicates of the current year in the following manner: 743

(A) Collections of estate tax to be credited to the 744
"undivided estate tax fund;" 745

(B) Collections of classified property taxes, including 746
interest and penalties thereon, shall be credited to the county 747
public library ~~and local government support~~ fund and distributed 748
in accordance with section 5747.48 of the Revised Code; 749

(C) Collections of other taxes and assessments of whatever 750
kind to be credited to the undivided general tax fund. 751

Sec. 3375.05. The board of trustees of any public library 752
receiving money from a county's public library ~~and local~~ 753
~~government support~~ fund that desires to render public library 754
service by means of branches, library stations, or traveling 755
library service to the inhabitants of any school district, other 756
than a school district situated within the territorial boundaries 757
of the subdivision or district over which said board has 758
jurisdiction of free public library service, may make application 759
to the state library board, upon forms provided by said board, for 760
the establishment of such service. Said application shall set 761
forth the total number of people being served by said library on 762

the date of said application; an inventory of the books owned by 763
said library; the number of branches, library stations, and 764
traveling library service maintained by said library on the date 765
of said application; the number and classification of the 766
employees of said library and such other information as the state 767
library board deems pertinent. Such application shall be 768
accompanied by a financial statement of the library making the 769
application covering the two fiscal years next preceding the date 770
of said application. Upon receipt of said application by the state 771
library board, the state librarian, or an employee of the state 772
library board designated by such librarian, shall visit the 773
library making the application for the purpose of determining 774
whether or not the establishment of branches, library stations, or 775
traveling library service as requested in said application will 776
promote better library service in the district covered by said 777
application. Upon the completion of such inspection, the 778
librarian, or the person designated by the librarian to make such 779
inspection, shall prepare a written report setting forth ~~his~~ the 780
librarian's or designee's recommendations pertaining to the 781
establishment of the branches, stations, or traveling library 782
service as set forth in the application. Such report shall be 783
submitted to the state library board within ninety days after the 784
receipt of such application by the state library board. Within 785
thirty days after such report has been filed with the state 786
library board, said board shall either approve or disapprove, in 787
whole or in part, the establishment of branches, library stations, 788
or traveling library service as requested in said application. The 789
decision of the state library board shall be final. Within ten 790
days after final action has been taken by the state library board, 791
upon such application, the librarian shall notify in writing the 792
board of trustees of the public library making such application of 793
the decision of the state library board. 794

The state library board may withdraw its approval of library 795

service rendered by any library to the inhabitants of a school 796
district other than the school district in which the main library 797
of such library is located. At least thirty days before the 798
approval of such service may be withdrawn, the state library board 799
shall give written notice to the board of trustees of the library 800
rendering the service and the board of education of the school 801
district to which such service is being rendered. Such notice 802
shall set forth the reasons for the withdrawal of the approval of 803
such service. If the board of trustees of the library rendering 804
such service, or the board of education of a school district to 805
which such service is being rendered, objects to the withdrawal of 806
such approval it may, within twenty days of the receipt of such 807
notice, request, in writing, the state library board to hold a 808
hearing for the purpose of hearing protests to the withdrawal of 809
such approval. Upon the receipt of such request, the state library 810
board shall set the time and place of such hearing which shall be 811
held within the territorial boundaries of the school district 812
being served by the branch, station, or traveling library service 813
whose continued operation is in question. Such hearing shall be 814
held not less than thirty days after the receipt by the state 815
library board of the request for such hearing. The state library 816
board shall take no action on the withdrawal of approval of such 817
service until after the holding of such hearing. The decision of 818
the state library board shall be final. 819

Sec. 3375.121. (A) In any municipal corporation, not located 820
in a county library district, which has a population of not less 821
than twenty-five thousand, and within which there is not located a 822
main library of a township, municipal, school district, 823
association, or county free public library, a library district may 824
be created by a resolution adopted by the legislative authority of 825
that municipal corporation. No such resolution shall be adopted 826
after one year from June 20, 1977. Upon the adoption of such a 827

resolution, any branches of an existing library that are located 828
in that municipal corporation shall become the property of the 829
municipal library district created. 830

The municipal corporation and the board of trustees of the 831
public library maintaining any existing branches in that municipal 832
corporation shall forthwith take appropriate action transferring 833
all title and interest in all real and personal property located 834
in that municipal corporation in the name of the library district 835
maintaining those branches in that municipal corporation to the 836
municipal corporation adopting the appropriate resolution. Upon 837
transfer of all title and interest in that property, the branches 838
shall become a part of, and be operated by, the board of library 839
trustees appointed by the mayor. 840

(B) In any municipal corporation that has a population of 841
less than twenty-five thousand and that has not less than one 842
hundred thousand dollars available from a bequest for the 843
establishment of a municipal library, the legislative authority of 844
that municipal corporation may adopt, within one year after June 845
20, 1977, a resolution creating a library district. Upon the 846
establishment of any such library district, the board of trustees 847
of any library operating a branch library in that municipal 848
corporation shall not be required to transfer any property to the 849
newly established library. 850

(C) The board of library trustees of any library district 851
created under this section shall be composed of six members. Those 852
trustees shall be appointed by the mayor, to serve without 853
compensation, for a term of four years. In the first instance, 854
three of those trustees shall be appointed for a term of two 855
years, and three of them shall be appointed for a term of four 856
years. Vacancies shall be filled by like appointment for the 857
unexpired term. A library district created under this section 858
shall be governed in accordance with and exercise the authority 859

provided for in sections 3375.32 to 3375.41 of the Revised Code. 860

Notwithstanding any contrary provision of section 3.24 of the 861
Revised Code, the president of a board of township trustees may 862
administer the oath of office to a person or persons representing 863
the township on the board of library trustees of any library 864
district created under this section, even if the geographical 865
limits of the library district do not fall within the geographical 866
limits of the township. 867

(D) Any library district created under this section is 868
eligible to participate in the proceeds of the county public 869
library ~~and local government support~~ fund in accordance with 870
section 5705.28 of the Revised Code. 871

(E) A municipal corporation may establish and operate a free 872
public library regardless of whether the municipal corporation is 873
located in a county library district or school library district, 874
if all of the following conditions are met: 875

(1) The facility in which the library is principally located 876
is transferred to the municipal corporation from the county 877
library district or school library district in which it is located 878
prior to January 1, 1996. 879

(2) The population of the municipal corporation is less than 880
five hundred when the library is transferred from the county 881
library district or school library district to the municipal 882
corporation. 883

(3) The municipal corporation does not establish a municipal 884
library district under this section. 885

(4) The library does not receive any proceeds from the county 886
public library ~~and local government support~~ fund under section 887
5747.48 of the Revised Code. 888

Sec. 3375.32. Each board of library trustees appointed 889

pursuant to sections 3375.06, 3375.10, 3375.12, 3375.15, 3375.22 890
and 3375.30, of the Revised Code shall meet in January of each 891
year and organize by selecting from its membership a president, a 892
vice-president, and a secretary who shall serve for a term of one 893
year. At the same meeting each board shall elect and fix the 894
compensation of a ~~clerk~~ fiscal officer, who may be a member of the 895
board, and who shall serve for a term of one year. The ~~clerk~~ 896
fiscal officer, before entering upon ~~his~~ official duties, shall 897
execute a bond in an amount and with surety to be approved by the 898
board, payable to the board, and conditioned for the faithful 899
performance of the official duties required of ~~him~~ the fiscal 900
officer. 901

Sec. 3375.35. Each board of library trustees appointed 902
pursuant to sections 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, 903
and 3375.30 of the Revised Code shall, in the exercise of the 904
powers conferred upon it, be governed by this section. For the 905
purpose of transacting any business a quorum is a majority of the 906
full membership of the board. The purchase of any real property 907
requires a two-thirds vote of the full membership of the board 908
making such purchase. All conveyances of real property shall be 909
executed by the president and the secretary of the board making 910
such conveyance. ~~No~~ Except as provided in section 3375.351 of the 911
Revised Code, no moneys credited to a free public library shall be 912
paid out except on a check signed by the ~~clerk~~ fiscal officer of 913
the board having jurisdiction over said moneys and the president, 914
vice-president, or secretary of said board. Each board of library 915
trustees shall, at the end of each fiscal year, transmit on forms 916
provided by the state library board to the state librarian and 917
officer or board which appointed said board of library trustees a 918
report of the activities of said board of library trustees during 919
said year. Such report shall include a complete financial 920
statement showing the receipts and expenditures in detail of all 921

library funds for the entire fiscal year made by such board of 922
library trustees. No member of a board of library trustees shall 923
have any pecuniary interest in any contract entered into by such 924
board. 925

Sec. 3375.351. The fiscal officer of each board of library 926
trustees appointed under section 3375.06, 3375.10, 3375.12, 927
3375.15, 3375.22, or 3375.30 of the Revised Code may pay the 928
compensation of each employee of the library under the board's 929
jurisdiction by direct deposit, as defined in section 131.01 of 930
the Revised Code. If direct deposit is chosen as the desired form 931
of compensation by the board of library trustees for its 932
employees, each employee shall provide to the fiscal officer a 933
written authorization for payment by direct deposit. The 934
authorization shall include the designation of a financial 935
institution equipped to accept direct deposits and the number of 936
the account into which the deposit is to be made. The 937
authorization shall remain in effect until withdrawn in writing by 938
the employee or until dishonored by the financial institution. 939

Sec. 3375.36. The ~~clerk~~ fiscal officer of the board of 940
library trustees of a free public library shall be the treasurer 941
of the library funds. All moneys received by ~~such clerk~~ the fiscal 942
officer for library purposes shall be immediately placed by ~~him~~ 943
the fiscal officer in a depository designated by the board. ~~Such~~ 944
~~clerk~~ The fiscal officer shall keep an account of the funds 945
credited to the board. ~~Such clerk~~ The fiscal officer shall render 946
a statement to the board monthly showing the revenues and receipts 947
from whatever sources derived, the disbursements and the purposes 948
for such disbursements, and the assets and liabilities of the 949
board. At the end of each fiscal year the ~~clerk~~ fiscal officer 950
shall submit to the board a complete financial statement showing 951
the receipts and expenditures in detail for the entire fiscal 952

year. The board of library trustees of a free public library may 953
appoint a deputy ~~clerk~~ fiscal officer, for a term of one year, and 954
may authorize such deputy to receive and disburse library funds. 955
Such deputy, before entering upon ~~his~~ official duties, shall 956
execute a bond in an amount and with surety to be approved by the 957
board, payable to the board, and conditioned for the faithful 958
performance of the official duties required of ~~him~~ the deputy. 959

Sec. 3375.37. Before giving the ~~clerk~~ fiscal officer of a 960
board of library trustees of a free public library a warrant for 961
funds due such board, the county auditor shall require the ~~clerk~~ 962
fiscal officer to file with ~~him~~ the auditor a statement showing 963
the amount of funds on hand, available for expenditure by the 964
board, according to the books of the ~~clerk~~ fiscal officer and the 965
books of the depository designated by the board. Such statement 966
shall indicate that the ~~clerk's~~ fiscal officer's books are in 967
exact balance with the depository accounts and shall be certified 968
to by the ~~clerk~~ fiscal officer and proper officer of the 969
depository. 970

Sec. 3375.38. All the duties required of the county auditor, 971
county treasurer, or other officer or person relating to the 972
moneys to the credit of or to be credited to a board of library 973
trustees of a free public library shall be complied with by 974
dealing with the ~~clerk~~ fiscal officer of such board. 975

Sec. 3375.39. At the expiration of the term of a ~~clerk~~ fiscal 976
officer of a board of library trustees of a free public library or 977
before such board approves the surety of any ~~clerk~~ fiscal officer, 978
such board shall require the ~~clerk~~ fiscal officer to produce all 979
money, bonds, or other securities in ~~his~~ the fiscal officer's 980
hands, which shall then be counted by the board or a committee of 981
the board, or by a representative of the auditor of state. A 982

certificate setting forth the exact amount of such money, bonds, 983
or other securities and signed by the representatives making such 984
count shall be entered upon the records of the board and shall be 985
prima-facie evidence that the amount stated in such certificate is 986
actually in the treasury at that date. 987

Sec. 3375.40. Each board of library trustees appointed 988
pursuant to section 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, 989
or 3375.30 of the Revised Code may do the following: 990

(A) Hold title to and have the custody of all real and 991
personal property of the free public library under its 992
jurisdiction; 993

(B) Expend for library purposes, and in the exercise of the 994
power enumerated in this section, all moneys, whether derived from 995
the county public library and ~~local government support~~ fund or 996
otherwise, credited to the free public library under its 997
jurisdiction and generally do all things it considers necessary 998
for the establishment, maintenance, and improvement of the free 999
public library under its jurisdiction; 1000

(C) Purchase, lease, construct, remodel, renovate, or 1001
otherwise improve, equip, and furnish buildings or parts of 1002
buildings and other real property, and purchase, lease, or 1003
otherwise acquire motor vehicles and other personal property, 1004
necessary for the proper maintenance and operation of the free 1005
public library under its jurisdiction, and pay their costs in 1006
installments or otherwise. Financing of these costs may be 1007
provided through the issuance of notes, through an installment 1008
sale, or through a lease-purchase agreement. Any such notes shall 1009
be issued pursuant to section 3375.404 of the Revised Code. 1010

(D) Purchase, lease, lease with an option to purchase, or 1011
erect buildings or parts of buildings to be used as main 1012
libraries, branch libraries, or library stations pursuant to 1013

section 3375.41 of the Revised Code; 1014

(E) Establish and maintain a main library, branches, library 1015
stations, and traveling library service within the territorial 1016
boundaries of the political subdivision or district over which it 1017
has jurisdiction of free public library service; 1018

(F) Except as otherwise provided in this division, establish 1019
and maintain branches, library stations, and traveling library 1020
service in any school district, outside the territorial boundaries 1021
of the political subdivision or district over which it has 1022
jurisdiction of free public library service, upon application to 1023
and approval of the state library board, pursuant to section 1024
3375.05 of the Revised Code. The board of library trustees of any 1025
free public library maintaining branches, stations, or traveling 1026
library service, outside the territorial boundaries of the 1027
political subdivision or district over which it has jurisdiction 1028
of free public library service, on September 4, 1947, may continue 1029
to maintain and operate those branches, those stations, and that 1030
traveling library service without the approval of the state 1031
library board. 1032

(G) Appoint and fix the compensation of all of the employees 1033
of the free public library under its jurisdiction, pay the 1034
reasonable cost of tuition for any of its employees who enroll in 1035
a course of study the board considers essential to the duties of 1036
the employee or to the improvement of the employee's performance, 1037
and reimburse applicants for employment for any reasonable 1038
expenses they incur by appearing for a personal interview; 1039

(H) Make and publish rules for the proper operation and 1040
management of the free public library and facilities under its 1041
jurisdiction, including rules pertaining to the provision of 1042
library services to individuals, corporations, or institutions 1043
that are not inhabitants of the county; 1044

(I) Assess uniform fees for the provision of services to patrons of the library, but no fee shall be assessed for the circulation of printed materials held by the library except for the assessment of fines for materials not returned in accordance with the board's rules;

(J) Establish and maintain a museum in connection with and as an adjunct to the free public library under its jurisdiction;

(K) By the adoption of a resolution, accept any bequest, gift, or endowment upon the conditions connected with the bequest, gift, or endowment. No such bequest, gift, or endowment shall be accepted by the board if its conditions remove any portion of the free public library under the board's jurisdiction from the control of the board or if the conditions, in any manner, limit the free use of the library or any part of it by the residents of the counties in which the library is located.

(L) At the end of any fiscal year, by a two-thirds vote of its full membership, set aside any unencumbered surplus remaining in the general fund of the free public library under its jurisdiction for any purpose, including creating or increasing a special building and repair fund, or for operating the library or acquiring equipment and supplies;

(M) Procure and pay all or part of the cost of group term life, hospitalization, surgical, major medical, disability benefit, dental care, eye care, hearing aids, or prescription drug insurance or coverage, or a combination of any of those types of insurance or coverage, whether issued by an insurance company or a health insuring corporation duly licensed by the state, covering its employees, and, in the case of group term life, hospitalization, surgical, major medical, dental care, eye care, hearing aids, or prescription drug insurance or coverage, also covering the dependents and spouses of its employees, and, in the case of disability benefits, also covering the spouses of its

employees.	1077
(N) Pay reasonable dues and expenses for the free public library and library trustees in library associations.	1078 1079
Any instrument by which real property is acquired pursuant to this section shall identify the agency of the state that has the use and benefit of the real property as specified in section 5301.012 of the Revised Code.	1080 1081 1082 1083
Sec. 3375.404. (A) As used in this chapter:	1084
(1) "Anticipation notes" means notes issued in anticipation of the library fund library facilities notes authorized by this section.	1085 1086 1087
(2) "Authorizing proceedings" means the resolution, legislation, trust agreement, certification and other agreements, instruments, and documents, as amended and supplemented, authorizing, or providing for the security or sale or award of, notes, and includes the provisions set forth or incorporated in those notes and proceedings.	1088 1089 1090 1091 1092 1093
(3) "Board" or "board of library trustees" means the board of library trustees appointed pursuant to sections 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, and 3375.30 of the Revised Code.	1094 1095 1096
(4) "Library fund" means the <u>public</u> library and local government support fund provided for in Chapter 5747. of the Revised Code or any successor to that fund.	1097 1098 1099
(5) "Note service charges" means principal, including any mandatory sinking fund or redemption requirements for retirement of notes, interest, and any redemption premium payable on notes.	1100 1101 1102
(6) "Notes" means the library fund library facilities notes authorized by this section, including anticipation notes.	1103 1104
(7) "Public library" means any of the libraries provided for	1105

in sections 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, and 1106
3375.30 of the Revised Code. 1107

(8) "Refunding notes" means notes issued to provide for the 1108
refunding of the notes, or of obligations issued prior to the 1109
effective date of this section, collectively referred to in this 1110
section as refunded obligations. 1111

(B) A board of library trustees of a public library that 1112
receives an allocation of the library fund pursuant to section 1113
5705.32 and Chapter 5747. of the Revised Code may anticipate its 1114
portion of the proceeds of the library fund distribution and issue 1115
library fund library facilities notes of the public library in the 1116
principal amount necessary to pay the costs of financing the 1117
facilities or other property referred to in division (C) of 1118
section 3375.40 of the Revised Code, or to refund any refunded 1119
obligations, provided that the board projects annual note service 1120
charges on the notes, or on the notes being anticipated by 1121
anticipation notes, to be capable of being paid from the annual 1122
library fund receipts of the public library. The maximum aggregate 1123
amount of notes that may be outstanding at any time in accordance 1124
with their terms upon issuance of the new notes shall not exceed 1125
an amount which requires or is estimated to require payments from 1126
library fund receipts of note service charges on the notes, or, in 1127
the case of anticipation notes, projected note service charges on 1128
the notes anticipated, in any calendar year in an amount exceeding 1129
thirty per cent of the average of the library fund receipts of the 1130
public library for the two calendar years prior to the year in 1131
which the notes are issued. A board may at any time issue renewal 1132
anticipation notes, issue notes to pay renewal anticipation notes, 1133
and, if it considers refunding expedient, issue refunding notes 1134
whether the refunded obligations have or have not matured. The 1135
refunding notes shall be sold and the proceeds needed for such 1136
purpose applied in the manner provided in the authorizing 1137

proceedings of the board. 1138

(C) Every issue of notes outstanding in accordance with their 1139
terms shall be payable out of the money received by the public 1140
library from the library fund or proceeds of notes, renewal 1141
anticipation notes, or refunding notes which may be pledged for 1142
such payment in the authorizing proceedings. The pledge shall be 1143
valid and binding from the time the pledge is made, and the 1144
library fund receipts and proceeds so pledged and thereafter 1145
received by the board shall immediately be subject to the lien of 1146
that pledge without any physical delivery of the library fund 1147
receipts or proceeds or further act. The lien of any pledge is 1148
valid and binding as against all parties having claims of any kind 1149
in tort, contract, or otherwise against the board, whether or not 1150
such parties have notice of the lien. Neither the resolution nor 1151
any trust agreement by which a pledge is created or further 1152
evidenced need be filed or recorded except in the board's records. 1153

(D) Notes issued under this section do not constitute a debt, 1154
or a pledge of the faith and credit, of the state, the public 1155
library, or any other political subdivision of the state, and the 1156
holders or owners of the notes have no right to have taxes levied 1157
by the general assembly or by the taxing authority of any 1158
political subdivision of the state, including the board of the 1159
public library, for the payment of note service charges. Notes are 1160
payable solely from the funds pledged for their payment as 1161
authorized by this section. All notes shall contain on their face 1162
a statement to the effect that the notes, as to note service 1163
charges, are not debts or obligations of the state and are not 1164
debts of any political subdivision of the state, but are payable 1165
solely from the funds pledged for their payment. The utilization 1166
and pledge of the library fund receipts and proceeds of notes, 1167
renewal anticipation notes, or refunding notes for the payment of 1168
note service charges is determined by the general assembly to 1169

create a special obligation which is not a bonded indebtedness 1170
subject to Section 11 of Article XII, Ohio Constitution, or, 1171
alternatively, to satisfy any applicable requirement of that 1172
Section 11. 1173

(E) The notes shall bear such date or dates, shall be 1174
executed in the manner, and shall mature at such time or times, in 1175
the case of any anticipation notes not exceeding ten years from 1176
the date of issue of the original anticipation notes and in the 1177
case of any notes that are not anticipation notes or of any 1178
refunding notes, not exceeding twenty-five years from the date of 1179
the original issue of notes, or other obligations for the purpose, 1180
all as the authorizing proceedings may provide. The notes shall 1181
bear interest at such rates, or at variable rate or rates changing 1182
from time to time, in accordance with provisions provided in the 1183
authorizing proceedings, be in such denominations and form, either 1184
coupon or registered, carry such registration privileges, be 1185
payable in such medium of payment and at such place or places, and 1186
be subject to such terms of redemption, as the board may authorize 1187
or provide. The notes may be sold at public or private sale, and 1188
at, or at not less than, the price or prices as the board 1189
determines. If any officer whose signature or a facsimile of whose 1190
signature appears on any notes or coupons ceases to be such 1191
officer before delivery of the notes or anticipation notes, the 1192
signature or facsimile shall nevertheless be sufficient for all 1193
purposes as if that officer had remained in office until delivery 1194
of the notes. Whether or not the notes are of such form and 1195
character as to be negotiable instruments under Title XIII of the 1196
Revised Code, the notes shall have all the qualities and incidents 1197
of negotiable instruments, subject only to any provisions for 1198
registration. Neither the members of the board nor any person 1199
executing the notes shall be liable personally on the notes or be 1200
subject to any personal liability or accountability by reason of 1201
their issuance. 1202

(F) Notwithstanding any other provision of this section, 1203
sections 9.98 to 9.983, 133.02, 133.70, and 5709.76, and division 1204
(A) of section 133.03 of the Revised Code apply to the notes. 1205
Notes issued under this section need not comply with any other law 1206
applicable to notes or bonds but the authorizing proceedings may 1207
provide that divisions (B) through (E) of section 133.25 of the 1208
Revised Code apply to the notes or anticipation notes. 1209

(G) Any authorizing proceedings may contain provisions, 1210
subject to any agreements with holders as may then exist, which 1211
shall be a part of the contract with the holders, as to the 1212
pledging of any or all of the board's anticipated library fund 1213
receipts to secure the payment of the notes; the use and 1214
disposition of the library fund receipts of the boards; the 1215
crediting of the proceeds of the sale of notes to and among the 1216
funds referred to or provided for in the authorizing proceedings; 1217
limitations on the purpose to which the proceeds of the notes may 1218
be applied and the pledging of portions of such proceeds to secure 1219
the payment of the notes or of anticipation notes; the agreement 1220
of the board to do all things necessary for the authorization, 1221
issuance, and sale of those notes anticipated in such amounts as 1222
may be necessary for the timely payment of note service charges on 1223
any anticipation notes; limitations on the issuance of additional 1224
notes; the terms upon which additional notes may be issued and 1225
secured; the refunding of refunded obligations; the procedure by 1226
which the terms of any contract with holders may be amended, and 1227
the manner in which any required consent to amend may be given; 1228
securing any notes by a trust agreement or other agreement which 1229
may provide for notes or refunding notes to be further secured by 1230
a mortgage on the property financed with the proceeds of the 1231
notes, anticipation notes, or refunded obligations refunded by 1232
refunding notes; and any other matters, of like or different 1233
character, that in any way affect the security or protection of 1234
the notes or anticipation notes. 1235

Sec. 3375.41. When a board of library trustees appointed 1236
pursuant to section 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, 1237
or 3375.30 of the Revised Code determines to construct, demolish, 1238
alter, repair, or reconstruct a library or make any improvements 1239
or repairs, the cost of which will exceed twenty-five thousand 1240
dollars, except in cases of urgent necessity or for the security 1241
and protection of library property, it shall proceed as follows: 1242

(A) The board shall advertise for a period of ~~four~~ two weeks 1243
for sealed bids in some newspaper of general circulation in the 1244
district, and, if there are two such newspapers, the board shall 1245
advertise in both of them. If no newspaper has a general 1246
circulation in the district, the board shall post the 1247
advertisement in three public places in the district. The 1248
advertisement shall be entered in full by the ~~clerk~~ fiscal officer 1249
on the record of proceedings of the board. 1250

(B) The sealed bids shall be filed with the ~~clerk~~ fiscal 1251
officer by twelve noon of the last day stated in the 1252
advertisement. 1253

(C) The sealed bids shall be opened at the next meeting of 1254
the board, shall be publicly read by the ~~clerk~~ fiscal officer, and 1255
shall be entered in full on the records of the board; provided 1256
that the board, by resolution, may provide for the public opening 1257
and reading of the bids by the ~~clerk~~ fiscal officer, immediately 1258
after the time for their filing ~~the~~ has expired, at the usual 1259
place of meeting of the board, and for the tabulation of the bids 1260
and a report of the tabulation to the board at its next meeting. 1261

(D) Each sealed bid shall contain the name of every person 1262
interested in it and shall meet the requirements of section 153.54 1263
of the Revised Code. 1264

(E) When both labor and materials are embraced in the work 1265
bid for, the board may require that each be separately stated in 1266

the sealed bid, with their price ~~of each~~, or may require that bids
be submitted without ~~that~~ the separation.

(F) None but the lowest responsible bid shall be accepted.
The board may reject all the bids or accept any bid for both labor
and material for the improvement or repair which is the lowest in
the aggregate.

(G) The contract shall be between the board and the bidders.
The board shall pay the contract price for the work in cash at the
times and in the amounts as provided by sections 153.12, 153.13,
and 153.14 of the Revised Code.

(H) When two or more bids are equal, in whole or in part, and
are lower than any others, either may be accepted, but in no case
shall the work be divided between these bidders.

(I) When there is reason to believe there is collusion or
combination among the bidders, the bids of those concerned in the
collusion or combination shall be rejected.

Sec. 3375.42. The board of county commissioners of any
county, the board of education of any school district, the
legislative authority of any municipal corporation, or the board
of township trustees of any township may contract with the board
of library trustees of any public library, or with any private
corporation or library association maintaining a free public
library prior to September 4, 1947, situated within or without the
taxing district, to furnish library service to all the inhabitants
of said taxing district, notwithstanding the fact that such
library is receiving proceeds from the county public library ~~and~~
~~local government support~~ fund, and may levy a tax, or make an
appropriation from its general fund or from federal funds, to be
expended by such library in providing library service in said
taxing district for any of the purposes specified in section
3375.40 of the Revised Code. The taxing authority may require an

annual report in writing from such board of library trustees, 1298
private corporation, or library association. When a tax for 1299
library purposes has been so levied, at each semiannual collection 1300
of such tax the county auditor shall certify the amount collected 1301
to the proper officer of the taxing district who shall forthwith 1302
draw ~~his~~ a warrant for such amount on the treasurer of such 1303
district payable to the proper officer of such library. 1304

Sec. 3375.64. (A) There is hereby established the Ohio public 1305
library information network, as an independent agency within the 1306
state library of Ohio, for the purpose of ensuring equity of 1307
access to electronic information for all residents of this state, 1308
subject to the restrictions described in division (C) of this 1309
section on access to materials or performances that may be obscene 1310
or harmful to juveniles. The network shall be governed by the 1311
board of trustees created under section 3375.65 of the Revised 1312
Code. 1313

(B)(1) Except as provided in division (B)(2) of this section, 1314
any board of library trustees appointed under section 1713.28, 1315
3375.06, 3375.10, 3375.12, 3375.15, 3375.22, 3375.30, or 3375.90 1316
of the Revised Code may participate in the network by providing 1317
notice in writing to the network board of trustees. 1318

(2) A board of library trustees participating in the network 1319
authorized under Section 323.10 of H.B. 119 of the 127th general 1320
assembly is a participant in the network established by division 1321
(A) of this section unless its participation is otherwise 1322
terminated. 1323

(C) A library board of trustees participating in the network 1324
established under division (A) of this section shall comply with 1325
any policies the network board of trustees may adopt. The network 1326
board shall adopt a policy that requires each participant to 1327
establish and enforce procedures designed to keep juveniles who 1328

use the participant's services from having access to materials or 1329
performances that may be obscene or harmful to juveniles and to 1330
keep persons who are not juveniles and who use the participant's 1331
services from having access to materials or performances that may 1332
be obscene. If a participant does not establish and enforce such 1333
procedures, the network board shall terminate the participant's 1334
participation in the network. As used in this division, 1335
"juveniles," "materials," "performances," "obscene," and "harmful 1336
to juveniles" have the same meanings as in section 2907.01 of the 1337
Revised Code. 1338

Sec. 3375.65. (A) There is hereby created the Ohio public 1339
library information network board of trustees, which shall be the 1340
governing board of the Ohio public library information network. 1341
The board shall consist of all of the following members: 1342

(1) The state librarian, who shall serve as a nonvoting 1343
member; 1344

(2) The eleven members of the Ohio public library information 1345
network board authorized under Section 323.10 of H.B. 119 of the 1346
127th general assembly who are serving on such board on the 1347
effective date of this section. These continuing members shall 1348
serve staggered terms, with three terms expiring on June 30, 2008, 1349
four terms expiring on June 30, 2009, and four terms expiring on 1350
June 30, 2010. (At their first meeting after the effective date of 1351
this section, the voting members of the board shall draw lots to 1352
determine when their terms end.) Thereafter, terms of office for 1353
all voting members shall be three years, with each term ending on 1354
the same day of the same month as did the term that it succeeds. 1355
The state library board shall fill a vacancy among the voting 1356
members of the board by selecting an appointee from among the 1357
staff of public libraries and past and present members of boards 1358
of trustees of public libraries, based on the recommendations of 1359

the library community of this state. A member of the board may be 1360
reappointed, but no member shall serve more than two terms, 1361
provided that service for a partial term of one year or less shall 1362
not be counted toward the two-term limitation. A member appointed 1363
to fill a vacancy occurring prior to the expiration of the 1364
predecessor's term shall hold office for the remainder of that 1365
term. A member may continue in office subsequent to the expiration 1366
of the member's term until the member's successor takes office, or 1367
until a period of sixty days has elapsed, whichever occurs first. 1368

(B) Members of the board shall receive their actual and 1369
necessary expenses incurred in the performance of their duties as 1370
board members. 1371

(C) The board shall meet at least quarterly and hold such 1372
additional meetings as are necessary to carry out the board's 1373
duties under sections 3375.64, 3375.66, and 3375.67 of the Revised 1374
Code. Additional meetings may be called in accordance with bylaws 1375
adopted by the board. 1376

Sec. 3375.66. (A) To fulfill the network purpose under 1377
section 3375.64 of the Revised Code, the board of trustees of the 1378
Ohio public library information network shall do all of the 1379
following: 1380

(1) Employ and fix the compensation of an executive director 1381
of the network and such other personnel as are necessary to carry 1382
out this section and sections 3375.64 and 3375.67 of the Revised 1383
Code. The board may designate positions in the unclassified civil 1384
service for which it may employ persons. 1385

(2) Develop plans of service and operation for the Ohio 1386
public library information network in consultation with the state 1387
library of Ohio; 1388

(3) Have exclusive control of the expenditure of all money 1389

<u>held in the name of the network;</u>	1390
<u>(4) Adopt bylaws for the governance of the network and for</u>	1391
<u>calling and conducting the board's meetings;</u>	1392
<u>(5) Appoint the state library of Ohio as the board's fiscal</u>	1393
<u>agent. When so appointed, the state library shall serve as fiscal</u>	1394
<u>agent and shall provide all of the following services:</u>	1395
<u>(a) Prepare and process payroll and other personnel documents</u>	1396
<u>that the board approves;</u>	1397
<u>(b) Maintain ledgers of accounts and reports of account</u>	1398
<u>balances, and monitor budgets and allotment plans in consultation</u>	1399
<u>with the board;</u>	1400
<u>(c) Provide purchasing services to facilitate the purchase of</u>	1401
<u>property approved by the board;</u>	1402
<u>(d) Deposit revenues received on behalf of the board into the</u>	1403
<u>accounts maintained by the board;</u>	1404
<u>(e) Perform other routine support services that the state</u>	1405
<u>librarian or the state librarian's designee and the board or the</u>	1406
<u>board's designee consider appropriate to achieve efficiency.</u>	1407
<u>(B) The board of trustees may do any of the following:</u>	1408
<u>(1) Enter into contracts or agreements for the purposes of</u>	1409
<u>this section and section 3375.64 of the Revised Code;</u>	1410
<u>(2) Receive grants, payments, bequests, and gifts on behalf</u>	1411
<u>of the network;</u>	1412
<u>(3) Expend, for the network purpose under section 3375.64 of</u>	1413
<u>the Revised Code, and in the exercise of the powers enumerated in</u>	1414
<u>this section, all money received as grants, payments, gifts,</u>	1415
<u>bequests, or otherwise, and generally do all things the board</u>	1416
<u>determines necessary for the establishment, maintenance, and</u>	1417
<u>improvement of the network;</u>	1418

(4) Purchase, lease, or otherwise acquire vehicles and other personal property for the maintenance and operation of the network; 1419
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(5) Purchase, erect, lease, lease with an option to purchase, appropriate, or otherwise improve, equip, and furnish buildings or parts of buildings and other real property for use by the network; 1422
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(6) Hold title to and have custody of property, both real and personal, of the network. 1425
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Sec. 3375.67. If the need for the Ohio public library information network ceases to exist, the network board of trustees, by a two-thirds vote of its members, may declare its intention to dissolve the network and file with the state library board a plan for effecting such dissolution. 1427
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Sec. 3375.85. An interstate library district lying partly within this state may claim and be entitled to receive state aid, other than aid from the public library and local government support fund, in support of any of its functions to the same extent and in the same manner as such functions are eligible for support support when carried on by entities wholly within this state. For the purposes of computing and apportioning such state aid to an interstate library district, this state will consider that portion of the area which lies within this state as an independent entity for the performance of the aided function or functions and compute and apportion the aid accordingly. Any library association that was organized and operated prior to January 1, 1968, and which pursuant to the authority granted in section 3375.83 of the Revised Code, has become part of an interstate library district shall be considered a library association under section 5705.28 of the Revised Code and entitled to participate in the county public library and local government 1432
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~~support~~ fund and other public funds. Subject to any applicable 1449
laws of this state, such a district also may apply for and be 1450
entitled to receive any federal aid for which it may be eligible. 1451

Sec. 3375.91. The board of trustees of each regional library 1452
system may: 1453

(A) Develop plans of service and operation for the regional 1454
library system and submit these to the state library board, and to 1455
each other granting authority if and when required by such 1456
authority; 1457

(B) Receive grants, payments, bequests, and gifts and have 1458
exclusive control of the expenditure of all moneys held in the 1459
name of the regional library system; 1460

(C) Expend for library purposes, and in the exercise of the 1461
powers enumerated in this section, all moneys whether received as 1462
grants, payments, gifts, bequests, or otherwise, and generally do 1463
all things it determines necessary for the establishment, 1464
maintenance, and improvement of the regional library system under 1465
its jurisdiction; 1466

(D) Make and publish such bylaws and rules as may be 1467
necessary for its operation and for the government of the regional 1468
library system; 1469

(E) Purchase or lease vehicles and other personal property 1470
for the operation of the regional library system; 1471

(F) Purchase, erect, lease, or lease with an option to 1472
purchase, appropriate buildings or parts of buildings for use of 1473
the regional library system; 1474

(G) Hold title to and have the custody of all property, both 1475
real and personal, of the regional library system; 1476

(H) Appoint and fix the compensation of a director and 1477
necessary assistants, who shall have the same employment status as 1478

employees of public libraries; 1479

(I) Elect and fix compensation of a ~~clerk~~ fiscal officer and 1480
a deputy ~~clerk~~ fiscal officer who shall serve for a term of one 1481
year; 1482

(J) Enter into contracts with the governing body of any 1483
participating library organized under sections 1713.28, 3375.06, 1484
3375.10, 3375.12, 3375.121, 3375.15, 3375.22, and 3375.30 of the 1485
Revised Code, the state library board, any granting authority, the 1486
board of county commissioners of any county, the board of 1487
education of any school district, the legislative authority of any 1488
municipal corporation, boards of township trustees, colleges, 1489
universities, or public or private agencies and corporations; 1490

(K) Accept an application from any other library desiring to 1491
become a participating library in accordance with the agreement 1492
for the formation of the system, either as originally submitted to 1493
and approved by the state library board, or as amended by and with 1494
the agreement of all the participating libraries and the approval 1495
of the state library board. 1496

Sec. 3375.92. The ~~clerk~~ fiscal officer of the board of 1497
trustees of the regional library system is the treasurer of the 1498
organization's funds. Before entering upon their duties, the ~~clerk~~ 1499
fiscal officer and the deputy ~~clerk~~ fiscal officer shall execute a 1500
bond in an amount and with surety to be approved by the board, and 1501
conditioned for the faithful performance of the official duties 1502
required of them. 1503

All moneys received by the ~~clerk~~ fiscal officer shall be 1504
immediately placed by the ~~clerk~~ fiscal officer in a depository 1505
designated by the board. The ~~clerk~~ fiscal officer shall keep an 1506
account of the funds credited to the board. 1507

The ~~clerk~~ fiscal officer shall render a monthly statement to 1508

the board showing the revenues and receipts from whatever sources 1509
derived, the disbursements and the purposes for such 1510
disbursements, and the assets and liabilities of the board. At the 1511
end of each fiscal year the ~~clerk~~ fiscal officer shall submit to 1512
the board, to the state library board and, if requested, to any 1513
granting authority, a complete financial statement showing the 1514
receipts and expenditures in detail for the entire fiscal year. 1515
Such financial records shall be open to public inspection at all 1516
reasonable times. 1517

At the expiration of the term of the ~~clerk~~ fiscal officer or 1518
before the board of trustees approves the surety of any ~~clerk~~ 1519
fiscal officer, the board shall require the ~~clerk~~ fiscal officer 1520
to produce all moneys, bonds, or other securities in the ~~clerk's~~ 1521
fiscal officer's hands, which shall then be counted by the board 1522
or a committee of the board, or by a representative of the auditor 1523
of state. A certificate setting forth the exact amount of such 1524
money, bonds, or other securities and signed by the persons making 1525
such count shall be entered upon the records of the board and 1526
shall be prima-facie evidence that the amount stated in such 1527
certificate is actually in the treasury at that date. 1528

Sec. 5705.28. (A) Except as provided in division (B)(1) or 1529
(2) of this section or in section 5705.281 of the Revised Code, 1530
the taxing authority of each subdivision or other taxing unit 1531
shall adopt a tax budget for the next succeeding fiscal year: 1532

(1) On or before the fifteenth day of January in the case of 1533
a school district; 1534

(2) On or before the fifteenth day of July in the case of all 1535
other subdivisions and taxing units. 1536

(B)(1) Before the first day of June in each year, the board 1537
of trustees of a school library district entitled to participate 1538
in any appropriation or revenue of a school district or to have a 1539

tax proposed by the board of education of a school district shall 1540
file with the board of education of the school district a tax 1541
budget for the ensuing fiscal year. On or before the fifteenth day 1542
of July in each year, the board of education of a school district 1543
to which a school library district tax budget was submitted under 1544
this division shall adopt such tax budget on behalf of the library 1545
district, but such budget shall not be part of the school 1546
district's tax budget. 1547

(2)(a) The taxing authority of a taxing unit that does not 1548
levy a tax is not required to adopt a tax budget pursuant to 1549
division (A) of this section. Instead, on or before the fifteenth 1550
day of July each year, such taxing authority shall adopt an 1551
operating budget for the taxing unit for the ensuing fiscal year. 1552
The operating budget shall include an estimate of receipts from 1553
all sources, a statement of all taxing unit expenses that are 1554
anticipated to occur, and the amount required for debt charges 1555
during the fiscal year. The operating budget is not required to be 1556
filed with the county auditor or the county budget commission. 1557

(b) Except for this section and sections 5705.36, 5705.38, 1558
5705.40, 5705.41, 5705.43, 5705.44, and 5705.45 of the Revised 1559
Code, a taxing unit that does not levy a tax is not a taxing unit 1560
for purposes of Chapter 5705. of the Revised Code. Documents 1561
prepared in accordance with such sections are not required to be 1562
filed with the county auditor or county budget commission. 1563

(c) The total appropriations from each fund of a taxing unit 1564
that does not levy a tax shall not exceed the total estimated 1565
revenue available for expenditures from the fund, and 1566
appropriations shall be made from each fund only for the purposes 1567
for which the fund is established. 1568

(C)(1) To assist in the preparation of the tax budget, the 1569
head of each department, board, commission, and district authority 1570
entitled to participate in any appropriation or revenue of a 1571

subdivision shall file with the taxing authority, or in the case 1572
of a municipal corporation, with its chief executive officer, 1573
before the forty-fifth day prior to the date on which the budget 1574
must be adopted, an estimate of contemplated revenue and 1575
expenditures for the ensuing fiscal year, in such form as is 1576
prescribed by the taxing authority of the subdivision or by the 1577
auditor of state. The taxing authority shall include in its budget 1578
of expenditures the full amounts requested by district 1579
authorities, not to exceed the amount authorized by law, if such 1580
authorities may fix the amount of revenue they are to receive from 1581
the subdivision. In a municipal corporation in which a special 1582
levy for a municipal university has been authorized to be levied 1583
in excess of the ten-mill limitation, or is required by the 1584
charter of the municipal corporation, the taxing authority shall 1585
include an amount not less than the estimated yield of such levy, 1586
if such amount is requested by the board of directors of the 1587
municipal university. 1588

(2) A county board of mental retardation and developmental 1589
disabilities may include within its estimate of contemplated 1590
revenue and expenditures a reserve balance account in the 1591
community mental retardation and developmental disabilities 1592
residential services fund. The account shall contain money that is 1593
not needed to pay for current expenses for residential services 1594
and supported living but will be needed to pay for expenses for 1595
such services in the future or may be needed for unanticipated 1596
emergency expenses. On the request of the county board of mental 1597
retardation and developmental disabilities, the board of county 1598
commissioners shall include such an account in its budget of 1599
expenditures and appropriate money to the account from residential 1600
service moneys for the county board. 1601

(D) The board of trustees of any public library desiring to 1602
participate in the distribution of the county public library ~~and~~ 1603

~~local government support~~ fund shall adopt appropriate rules 1604
extending the benefits of the library service of such library to 1605
all the inhabitants of the county on equal terms, unless such 1606
library service is by law available to all such inhabitants, and 1607
shall certify a copy of such rules to the taxing authority with 1608
its estimate of contemplated revenue and expenditures. Where such 1609
rules have been so certified or where the adoption of such rules 1610
is not required, the taxing authority shall include in its budget 1611
of receipts such amounts as are specified by such board as 1612
contemplated revenue from the county public library ~~and local~~ 1613
~~government support~~ fund, and in its budget of expenditures the 1614
full amounts requested therefrom by such board. No library 1615
association, incorporated or unincorporated, is entitled to 1616
participate in the proceeds of the county public library ~~and local~~ 1617
~~government support~~ fund ~~or other public funds~~ unless such 1618
association both was organized and operating prior to January 1, 1619
1968, and participated in the distribution of the proceeds of the 1620
county public library fund prior to December 31, 2005. 1621

Sec. 5705.281. (A) Notwithstanding section 5705.28 of the 1622
Revised Code, the county budget commission, by an affirmative vote 1623
of a majority of the commission, including an affirmative vote by 1624
the county auditor, may waive the requirement that the taxing 1625
authority of a subdivision or other taxing unit adopt a tax budget 1626
as provided under section 5705.28 of the Revised Code, but shall 1627
require such a taxing authority to provide such information to the 1628
commission as may be required by the commission to perform its 1629
duties under this chapter, including dividing the rates of each of 1630
the subdivision's or taxing unit's tax levies as provided under 1631
section 5705.04 of the Revised Code. 1632

(B)(1) Notwithstanding divisions (B)(1) and (D) of section 1633
5705.28 of the Revised Code, in any county in which a single 1634
library receives all of the county public library ~~and local~~ 1635

~~government support~~ fund or receives all of that portion of the 1636
fund that is distributed to libraries, the county budget 1637
commission, by an affirmative vote of a majority of the 1638
commission, including an affirmative vote by the county auditor, 1639
may waive any or all of the following requirements: 1640

(a) The requirement that the board of trustees of a school 1641
library district entitled to participate in any appropriation or 1642
revenue of a school district or to have a tax proposed by the 1643
board of education of a school district file with the board of 1644
education of the school district a tax budget, and the requirement 1645
that the board of education adopt the tax budget on behalf of the 1646
library district, as provided in division (B)(1) of section 1647
5705.28 of the Revised Code; 1648

(b) The requirement that the board of trustees of a public 1649
library desiring to participate in the distribution of the county 1650
public library ~~and local government support~~ fund certify to the 1651
taxing authority its estimate of contemplated revenue and 1652
expenditures, and the requirement that the taxing authority 1653
include in its budget of receipts and budget of expenditures the 1654
full amounts specified or requested by the board of trustees, as 1655
provided in division (D) of section 5705.28 of the Revised Code. 1656

(2) If a county budget commission waives the requirements 1657
described in division (B)(1)(a) or (b) of this section, the 1658
commission shall require the board of trustees of the school 1659
library district or the board of trustees of the public library 1660
desiring to participate in the distribution of the county public 1661
library ~~and local government support~~ fund to provide to the 1662
commission any information the commission may require from the 1663
board in order for the commission to perform its duties under this 1664
chapter. 1665

Sec. 5705.31. The county auditor shall present to the county 1666

budget commission the annual tax budgets submitted under sections 1667
5705.01 to 5705.47 of the Revised Code, together with an estimate 1668
prepared by the auditor of the amount of any state levy, the rate 1669
of any school tax levy as previously determined, the tax 1670
commissioner's estimate of the amount to be received in the county 1671
public library and local government support fund, the tax rates 1672
provided under section 5705.281 of the Revised Code if adoption of 1673
the tax budget was waived under that section, and such other 1674
information as the commission requests or the tax commissioner 1675
prescribes. The budget commission shall examine such budget and 1676
ascertain the total amount proposed to be raised in the county for 1677
the purposes of each subdivision and other taxing units in the 1678
county. 1679

The commission shall ascertain that the following levies have 1680
been properly authorized and, if so authorized, shall approve them 1681
without modification: 1682

(A) All levies in excess of the ten-mill limitation; 1683

(B) All levies for debt charges not provided for by levies in 1684
excess of the ten-mill limitation, including levies necessary to 1685
pay notes issued for emergency purposes; 1686

(C) The levies prescribed by division (B) of sections 742.33 1687
and 742.34 of the Revised Code; 1688

(D) Except as otherwise provided in this division, a minimum 1689
levy within the ten-mill limitation for the current expense and 1690
debt service of each subdivision or taxing unit, which shall equal 1691
two-thirds of the average levy for current expenses and debt 1692
service allotted within the fifteen-mill limitation to such 1693
subdivision or taxing unit during the last five years the 1694
fifteen-mill limitation was in effect unless such subdivision or 1695
taxing unit requests an amount requiring a lower rate. Except as 1696
provided in section 5705.312 of the Revised Code, if the levies 1697

required in divisions (B) and (C) of this section for the 1698
subdivision or taxing unit equal or exceed the entire minimum levy 1699
of the subdivision as fixed, the minimum levies of the other 1700
subdivisions or taxing units shall be reduced by the commission to 1701
provide for the levies and an operating levy for the subdivision. 1702
Such additional levy shall be deducted from the minimum levies of 1703
each of the other subdivisions or taxing units, but the operating 1704
levy for a school district shall not be reduced below a figure 1705
equivalent to forty-five per cent of the millage available within 1706
the ten-mill limitation after all the levies in divisions (B) and 1707
(C) of this section have been provided for. 1708

If a municipal corporation and a township have entered into 1709
an annexation agreement under section 709.192 of the Revised Code 1710
in which they agree to reallocate their shares of the minimum 1711
levies established under this division and if that annexation 1712
agreement is submitted along with the annual tax budget of both 1713
the township and the municipal corporation, then, when determining 1714
the minimum levy under this division, the auditor shall allocate, 1715
to the extent possible, the minimum levy for that municipal 1716
corporation and township in accordance with their annexation 1717
agreement. 1718

(E) The levies prescribed by section 3709.29 of the Revised 1719
Code. 1720

Divisions (A) to (E) of this section are mandatory, and 1721
commissions shall be without discretion to reduce such minimum 1722
levies except as provided in such divisions. 1723

If any debt charge is omitted from the budget, the commission 1724
shall include it therein. 1725

Sec. 5705.32. (A) The county budget commission shall adjust 1726
the estimated amounts required from the general property tax for 1727
each fund, as shown by the tax budgets or other information 1728

required to be provided under section 5705.281 of the Revised 1729
Code, so as to bring the tax levies required therefor within the 1730
limitations specified in sections 5705.01 to 5705.47 of the 1731
Revised Code, for such levies, but no levy shall be reduced below 1732
a minimum fixed by law. The commission may revise and adjust the 1733
estimate of balances and receipts from all sources for each fund 1734
and shall determine the total appropriations that may be made 1735
therefrom. 1736

(B) The commission shall fix the amount of the county public 1737
~~library and local government support~~ fund to be distributed to 1738
each board of public library trustees that has qualified under 1739
section 5705.28 of the Revised Code for participation in the 1740
proceeds of such fund. The amount paid to all libraries in the 1741
county from such fund shall never be a smaller per cent of the 1742
fund than the average of the percentages of the county's 1743
classified taxes that were distributed to libraries in 1982, 1983, 1744
and 1984, as determined by the county auditor. The commission 1745
shall base the amount for distribution on the needs of such 1746
library for the construction of new library buildings, parts of 1747
buildings, improvements, operation, maintenance, or other 1748
expenses. In determining the needs of each library board of 1749
trustees, and in calculating the amount to be distributed to any 1750
library board of trustees on the basis of its needs, the 1751
commission shall make no reduction in its allocation from the fund 1752
on account of additional revenues realized by a library from 1753
increased taxes or service charges voted by its electorate, from 1754
revenues received through federal or state grants, projects, or 1755
programs, or from grants from private sources. 1756

(C) Notwithstanding the fact that alternative methods of 1757
financing such needs are available, after fixing the amount to be 1758
distributed to libraries, the commission shall fix the amount, if 1759
any, of the county public library ~~and local government support~~ 1760

fund to be distributed to each board of township park 1761
commissioners, the county, and each municipal corporation in 1762
accordance with the following: 1763

(1) Each municipal corporation in the county shall receive a 1764
per cent of the remainder that equals the per cent that the county 1765
auditor determines the classified property taxes originating in 1766
such municipal corporation in 1984 were of the total of all of the 1767
county's classified property taxes in 1984. The commission may 1768
deduct from this amount any amount that the budget commission 1769
allows to the board of township park commissioners of a township 1770
park district, the boundaries of which are coextensive with or 1771
contained within the boundaries of the municipal corporation. 1772

(2) The county shall receive a per cent of the remainder that 1773
equals the per cent that the county auditor determines the 1774
classified property taxes originating outside of the boundaries of 1775
municipal corporations in the county in 1984 were of the total of 1776
all of the county's classified property taxes in 1984. The 1777
commission may deduct from this amount any amount that the budget 1778
commission allows to the board of township park commissioners of a 1779
township park district, the boundaries of which are not 1780
coextensive with or contained within those of any municipal 1781
corporation in the county. 1782

(D) The commission shall separately set forth the amounts 1783
fixed and determined under divisions (B) and (C) of this section 1784
in the "official certificate of estimated resources," as provided 1785
in section 5705.35 of the Revised Code, and separately certify 1786
such amount to the county auditor who shall be guided thereby in 1787
the distribution of the county public library ~~and local government~~ 1788
~~support~~ fund for and during the fiscal year. In determining such 1789
amounts, the commission shall be guided by the estimate certified 1790
by the tax commissioner and presented by the auditor under section 1791
5705.31 of the Revised Code, as to the total amount of revenue to 1792

be received in the county public library ~~and local government~~ 1793
~~support~~ fund during such fiscal year. 1794

(E)(1) At least five days before the date of any meeting at 1795
which the budget commission plans to discuss the distribution of 1796
the county public library ~~and local government support~~ fund, it 1797
shall notify each legislative authority and board of public 1798
library trustees, county commissioners, and township park 1799
commissioners eligible to participate in the distribution of the 1800
fund of the date, time, place, and agenda for the meeting. Any 1801
legislative authority or board entitled to notice under this 1802
division may designate an officer or employee of such legislative 1803
authority or board to whom the commission shall deliver the 1804
notice. 1805

(2) Before the final determination of the amount to be 1806
allotted to each subdivision from any source, the commission shall 1807
permit representatives of each subdivision and of each board of 1808
public library trustees to appear before it to explain its 1809
financial needs. 1810

(F) If any public library receives and expends any funds 1811
allocated to it under this section for the construction of new 1812
library buildings or parts of buildings, such library shall be 1813
free and open to the inhabitants of the county in which it is 1814
located. Any board of library trustees that receives funds under 1815
this section and section 5747.48 of the Revised Code shall have 1816
its financial records open for public inspection at all reasonable 1817
times. 1818

Sec. 5705.321. (A) As used in this section: 1819

(1) "City, located wholly or partially in the county, with 1820
the greatest population" means the city, located wholly or 1821
partially in the county, with the greatest population residing in 1822
the county; however, if the county budget commission on or before 1823

January 1, 1998, adopted an alternative method of apportionment 1824
that was approved by the city, located partially in the county, 1825
with the greatest population but not the greatest population 1826
residing in the county, "city, located wholly or partially in the 1827
county, with the greatest population" means the city, located 1828
wholly or partially in the county, with the greatest population 1829
whether residing in the county or not, if this alternative meaning 1830
is adopted by action of the board of county commissioners and a 1831
majority of the boards of township trustees and legislative 1832
authorities of municipal corporations located wholly or partially 1833
in the county. 1834

(2) "Participating political subdivision" means a municipal 1835
corporation or township that satisfies all of the following: 1836

(a) It is located wholly or partially in the county. 1837

(b) It is not the city, located wholly or partially in the 1838
county, with the greatest population. 1839

(c) ~~Library and local government support~~ Public library fund 1840
moneys are apportioned to it under the county's alternative method 1841
or formula of apportionment in the current calendar year. 1842

(B) In lieu of the method of apportionment of the county 1843
public library and local government support fund provided by 1844
division (C) of section 5705.32 of the Revised Code, the county 1845
budget commission may provide for the apportionment of the fund 1846
under an alternative method or on a formula basis as authorized by 1847
this section. 1848

Except as otherwise provided in division (C) of this section, 1849
the alternative method of apportionment shall have first been 1850
approved by all of the following governmental units: the board of 1851
county commissioners; the legislative authority of the city, 1852
located wholly or partially in the county, with the greatest 1853
population; and a majority of the boards of township trustees and 1854

legislative authorities of municipal corporations, located wholly 1855
or partially in the county, excluding the legislative authority of 1856
the city, located wholly or partially in the county, with the 1857
greatest population. In granting or denying approval for an 1858
alternative method of apportionment, the board of county 1859
commissioners, boards of township trustees, and legislative 1860
authorities of municipal corporations shall act by motion. A 1861
motion to approve shall be passed upon a majority vote of the 1862
members of a board of county commissioners, board of township 1863
trustees, or legislative authority of a municipal corporation, 1864
shall take effect immediately, and need not be published. 1865

Any alternative method of apportionment adopted and approved 1866
under this division may be revised, amended, or repealed in the 1867
same manner as it may be adopted and approved. If an alternative 1868
method of apportionment adopted and approved under this division 1869
is repealed, the county public library ~~and local government~~ 1870
~~support~~ fund shall be apportioned among the subdivisions eligible 1871
to participate in the fund, commencing in the ensuing calendar 1872
year, under the apportionment provided in divisions (B) and (C) of 1873
section 5705.32 of the Revised Code, unless the repeal occurs by 1874
operation of division (C) of this section or a new method for 1875
apportionment of the fund is provided in the action of repeal. 1876

(C) This division applies only in counties in which the city, 1877
located wholly or partially in the county, with the greatest 1878
population has a population of twenty thousand or less and a 1879
population that is less than fifteen per cent of the total 1880
population of the county. In such a county, the legislative 1881
authorities or boards of township trustees of two or more 1882
participating political subdivisions, which together have a 1883
population residing in the county that is a majority of the total 1884
population of the county, each may adopt a resolution to exclude 1885
the approval otherwise required of the legislative authority of 1886

the city, located wholly or partially in the county, with the
greatest population. All of the resolutions to exclude that
approval shall be adopted not later than the first Monday of
August of the year preceding the calendar year in which
distributions are to be made under an alternative method of
apportionment.

A motion granting or denying approval of an alternative
method of apportionment under this division shall be adopted by a
majority vote of the members of the board of county commissioners
and by a majority vote of a majority of the boards of township
trustees and legislative authorities of the municipal corporations
located wholly or partially in the county, other than the city,
located wholly or partially in the county, with the greatest
population, shall take effect immediately, and need not be
published. The alternative method of apportionment under this
division shall be adopted and approved annually, not later than
the first Monday of August of the year preceding the calendar year
in which distributions are to be made under it. A motion granting
approval of an alternative method of apportionment under this
division repeals any existing alternative method of apportionment,
effective with distributions to be made from the fund in the
ensuing calendar year. An alternative method of apportionment
under this division shall not be revised or amended after the
first Monday of August of the year preceding the calendar year in
which distributions are to be made under it.

(D) In determining an alternative method of apportionment
authorized by this section, the county budget commission may
include in the method any factor considered to be appropriate and
reliable, in the sole discretion of the county budget commission.

(E) On the basis of any alternative method of apportionment
adopted and approved as authorized by this section, as certified
by the auditor to the county treasurer, the county treasurer shall

make distribution of the money in the county public library and 1919
~~local government support~~ fund to each subdivision eligible to 1920
participate in the fund, and the auditor, when the amount of those 1921
shares is in the custody of the treasurer in the amounts so 1922
computed to be due the respective subdivisions, shall at the same 1923
time certify to the tax commissioner the percentage share of the 1924
county as a subdivision. All money received into the treasury of a 1925
subdivision from the county public library and ~~local government~~
~~support~~ fund in a county treasury shall be paid into the general 1926
fund and used for the current operating expenses of the 1927
subdivision. 1928
1929

(F) The actions of the county budget commission taken 1930
pursuant to this section are final and may not be appealed to the 1931
board of tax appeals, except on the issues of abuse of discretion 1932
and failure to comply with the formula. 1933

Sec. 5705.37. The taxing authority of any subdivision, or the 1934
board of trustees of any public library, nonprofit corporation, or 1935
library association maintaining a free public library that has 1936
adopted and certified rules under section 5705.28 of the Revised 1937
Code, that is dissatisfied with any action of the county budget 1938
commission may, through its fiscal officer, appeal to the board of 1939
tax appeals within thirty days after the receipt by the 1940
subdivision of the official certificate or notice of the 1941
commission's action. In like manner, but through its clerk, ~~the~~ 1942
~~board of trustees of any public library, nonprofit corporation, or~~ 1943
~~library association maintaining a free public library that has~~ 1944
~~adopted and certified rules under section 5705.28 of the Revised~~ 1945
~~Code,~~ ~~or~~ any park district may appeal to the board of tax appeals. 1946
An appeal under this section shall be taken by the filing of a 1947
notice of appeal, either in person or by certified mail, express 1948
mail, or authorized delivery service as provided in section 1949
5703.056 of the Revised Code, with the board and with the 1950

commission. If notice of appeal is filed by certified mail, 1951
express mail, or authorized delivery service, date of the United 1952
States postmark placed on the sender's receipt by the postal 1953
service or the date of receipt recorded by the authorized delivery 1954
service shall be treated as the date of filing. Upon receipt of 1955
the notice of appeal, the commission, by certified mail, shall 1956
notify all persons who were parties to the proceeding before the 1957
commission of the filing of the notice of appeal and shall file 1958
proof of notice with the board of tax appeals. The secretary of 1959
the commission shall forthwith certify to the board a transcript 1960
of the full and accurate record of all proceedings before the 1961
commission, together with all evidence presented in the 1962
proceedings or considered by the commission, pertaining to the 1963
action from which the appeal is taken. The secretary of the 1964
commission also shall certify to the board any additional 1965
information that the board may request. 1966

The board of tax appeals, in a de novo proceeding, shall 1967
forthwith consider the matter presented to the commission, and may 1968
modify any action of the commission with reference to the budget, 1969
the estimate of revenues and balances, the allocation of the 1970
public library and local government support fund, or the fixing of 1971
tax rates. The finding of the board of tax appeals shall be 1972
substituted for the findings of the commission, and shall be 1973
certified to the tax commissioner, the county auditor, and the 1974
taxing authority of the subdivision affected, or to the board of 1975
public library trustees affected, as the action of the commission 1976
under sections 5705.01 to 5705.47 of the Revised Code. 1977

This section does not give the board of tax appeals any 1978
authority to place any tax levy authorized by law within the 1979
ten-mill limitation outside of that limitation, or to reduce any 1980
levy below any minimum fixed by law. 1981

Sec. 5715.36. (A) Any expense incurred by the tax 1982
commissioner as to the annual assessment of real property in any 1983
taxing district shall be paid out of the treasury of the county in 1984
which such district is located upon presentation of the order of 1985
the commissioner certifying the amount thereof to the county 1986
auditor, who shall thereupon issue ~~his~~ a warrant therefor upon the 1987
general fund of the county and direct the warrant to the county 1988
treasurer, who shall pay the same. All money paid out of the 1989
county treasury under authority of this division and section 1990
5703.30 of the Revised Code shall be charged against the proper 1991
district, and amounts paid by the county shall be retained by the 1992
auditor from funds due such district at the time of making the 1993
semiannual distribution of taxes. 1994

(B) Any expense incurred by the board of tax appeals as to 1995
the hearing of any appeal from a county budget commission with 1996
respect to the allocation of the local government fund or the 1997
county public library ~~and local government support~~ fund shall be 1998
paid out of the treasury of the county involved upon presentation 1999
of the order of the board certifying the amount thereof to the 2000
county auditor, who shall thereupon issue ~~his~~ a warrant therefor 2001
upon the general fund of the county and direct the warrant to the 2002
county treasurer, who shall pay the same. At the time the local 2003
government fund or the county public library ~~and local government~~ 2004
~~support~~ fund is distributed, all money which had been paid out of 2005
the county treasury for such expenses shall be deducted by the 2006
county auditor from the fund involved in the appeal. The amount so 2007
deducted by the county auditor shall be forthwith returned to the 2008
general fund of the county. 2009

(C) An amount equal to the sum of the expenses incurred by 2010
the board of tax appeals as to any of the following shall be paid 2011
out of the general fund of the county in which such property is 2012
located upon presentation of the order of the board certifying the 2013

amount thereof to the county auditor, who shall thereupon issue 2014
~~his~~ a warrant therefor upon the general fund of the county and 2015
direct the warrant to the county treasurer, who shall pay the 2016
same: 2017

(1) The hearing of any appeal from a county board of revision 2018
under section 5717.01 of the Revised Code; 2019

(2) An appeal from any finding, computation, determination, 2020
or order of the tax commissioner made with respect to the 2021
assessment or exemption of real property under division (B) of 2022
section 5715.61 and section 5717.02 of the Revised Code. At the 2023
time of each settlement of taxes under divisions (A) and (C) of 2024
section 321.24 of the Revised Code, there shall be deducted from 2025
the taxes included in such settlement and paid into the county 2026
general fund in the same manner as the fees allowed the county 2027
treasurer on amounts included in such settlement, the amounts paid 2028
out under this division since the preceding settlement. Each 2029
deduction shall be apportioned among the taxing districts within 2030
which the property that was the subject of the appeal is located 2031
in proportion to their relative shares of their respective taxes 2032
included in the settlement. 2033

Sec. 5719.041. If the payment of a general personal property 2034
or classified property tax is not made on or before the last day 2035
prescribed by section 5719.03 or 5719.031 of the Revised Code, an 2036
interest charge shall begin to accrue and shall continue until all 2037
charges are paid, except that no interest charge shall accrue for 2038
or in the month in which such payment was due under such section 2039
or under the circumstances and for the period described in 2040
division (A)(2) of section 5711.33 of the Revised Code or upon 2041
delinquent taxes that are the subject of a delinquent tax contract 2042
entered into pursuant to section 5719.05 of the Revised Code. 2043

The interest charge shall accrue against the balance of such 2044

taxes and any penalty thereon outstanding that remains unpaid on 2045
the last day of each month and shall be at the rate per calendar 2046
month, rounded to the nearest one-hundredth of one per cent, equal 2047
to one-twelfth of the federal short-term rate determined by the 2048
tax commissioner under section 5703.47 of the Revised Code for the 2049
calendar year that includes the month for which the charge 2050
accrues. The charge is payable in addition to the unpaid balance 2051
of taxes and penalties on the day the charge accrues, unless the 2052
entire balance is sooner paid. 2053

If a delinquent tax contract becomes void, interest shall be 2054
charged on the day on which the contract becomes void in the 2055
amount that would have been charged had the delinquent tax 2056
contract not been entered into and shall thereafter accrue as 2057
provided in this section. 2058

Interest shall be allowed, at the same rate per calendar 2059
month as is applicable that month for underpayments, on any 2060
overpayment of the tax charged on a general personal property or a 2061
classified property tax duplicate, from the first day of the month 2062
following the date of the overpayment until the last day of the 2063
month preceding the date of the refund of the overpayment. The 2064
interest shall be paid from the fund or funds to which the 2065
overpayment was credited. 2066

When the county treasurer makes the treasurer's annual 2067
settlement with the county auditor under division (D) of section 2068
321.24 of the Revised Code, the treasurer shall certify to the 2069
auditor a list of all entries on the cumulative delinquent tax 2070
duplicate that are at that time in the process of being paid in 2071
installments under a valid delinquent tax contract. For each entry 2072
that appears on the duplicate that is not on the certified list, 2073
the auditor shall compute the full amount of interest charges 2074
which have accrued against such entry since the preceding such 2075
settlement was made and shall include such charges through the 2076

last day of the month preceding the current settlement. The 2077
auditor shall include such amounts on the tax list and duplicates 2078
prepared by the auditor as prescribed in section 5719.04 of the 2079
Revised Code unless the interest is less than one dollar, in which 2080
case it shall not be added to such tax lists and duplicates. 2081

Before the county treasurer accepts any payment of taxes 2082
against which there are accrued interest charges that do not 2083
appear on the delinquent tax duplicate, the treasurer shall notify 2084
the auditor who shall issue a certificate to the treasurer showing 2085
the amount of such interest charges, and the treasurer shall 2086
collect the amount shown on such certificate at the time of 2087
accepting payment of such taxes. If the amount of such interest 2088
charges is less than one dollar, no such certificate shall be 2089
issued. In the case of delinquent personal property taxes, the 2090
interest shown on such certificate shall be credited to the 2091
undivided general tax fund, and distributed in the same manner as 2092
the delinquent taxes upon which the interest charges accrued. In 2093
the case of delinquent classified property taxes, the interest 2094
shown on such certificate shall be credited to the county public 2095
~~library and local government support~~ fund and distributed in 2096
accordance with section 5747.48 of the Revised Code. When the 2097
payment of delinquent taxes is credited on the tax duplicate the 2098
treasurer shall make a separate notation thereon indicating the 2099
amount collected and the index number of the auditor's certificate 2100
herein prescribed. 2101

Sec. 5747.03. (A) All money collected under this chapter 2102
arising from the taxes imposed by section 5747.02 or 5747.41 of 2103
the Revised Code shall be credited to the general revenue fund, 2104
except that the treasurer of state shall, at the beginning of each 2105
calendar quarter, credit to the Ohio political party fund, 2106
pursuant to section 3517.16 of the Revised Code, an amount equal 2107
to the total dollar value realized from the taxpayer exercise of 2108

the income tax checkoff option on tax forms processed during the 2109
preceding calendar quarter. 2110

(B)(1) Following the crediting of moneys pursuant to division 2111
(A) of this section, the remainder deposited in the general 2112
revenue fund shall be distributed pursuant to division (F) of 2113
section 321.24 and section 323.156 of the Revised Code; to make 2114
subsidy payments to institutions of higher education from 2115
appropriations to the Ohio board of regents; to support 2116
expenditures for programs and services for the mentally ill, 2117
mentally retarded, developmentally disabled, and elderly; for 2118
primary and secondary education; for medical assistance; and for 2119
any other purposes authorized by law, subject to the limitation 2120
that at least fifty per cent of the income tax collected by the 2121
state from the tax imposed by section 5747.02 of the Revised Code 2122
shall be returned pursuant to Section 9 of Article XII, Ohio 2123
Constitution. 2124

(2) To ensure that such constitutional requirement is 2125
satisfied the tax commissioner shall, on or before the thirtieth 2126
day of June of each year, from the best information available to 2127
the tax commissioner, determine and certify for each county to the 2128
director of budget and management the amount of taxes collected 2129
under this chapter from the tax imposed under section 5747.02 of 2130
the Revised Code during the preceding calendar year that are 2131
required to be returned to the county by Section 9 of Article XII, 2132
Ohio Constitution. The director shall provide for payment from the 2133
general revenue fund to the county in the amount, if any, that the 2134
sum of the amount so certified for that county exceeds the sum of 2135
the following: 2136

(a) The sum of the payments from the general revenue fund for 2137
the preceding calendar year credited to the county's undivided 2138
income tax fund pursuant to division (F) of section 321.24 and 2139
section 323.156 of the Revised Code or made directly from the 2140

general revenue fund to political subdivisions located in the 2141
county; 2142

(b) The sum of the amounts from the general revenue fund 2143
distributed in the county during the preceding calendar year for 2144
subsidy payments to institutions of higher education from 2145
appropriations to the Ohio board of regents; for programs and 2146
services for mentally ill, mentally retarded, developmentally 2147
disabled, and elderly persons; for primary and secondary 2148
education; and for medical assistance. 2149

(c) In the case of payments made by the director under this 2150
division in 2007, the total amount distributed to the county 2151
during the preceding calendar year from the local government fund 2152
and the local government revenue assistance fund, and, in the case 2153
of payments made by the director under this division in subsequent 2154
calendar years, the amount distributed to the county from the 2155
local government fund; 2156

(d) In the case of payments made by the director under this 2157
division, the total amount distributed to the county during the 2158
preceding calendar year from the public library ~~and local~~ 2159
~~government support~~ fund. 2160

Payments under this division shall be credited to the 2161
county's undivided income tax fund, except that, notwithstanding 2162
section 5705.14 of the Revised Code, such payments may be 2163
transferred by the board of county commissioners to the county 2164
general fund by resolution adopted with the affirmative vote of 2165
two-thirds of the members thereof. 2166

(C) All payments received in each month from taxes imposed 2167
under Chapter 5748. of the Revised Code and any penalties or 2168
interest thereon shall be paid into the school district income tax 2169
fund, which is hereby created in the state treasury, except that 2170
an amount equal to the following portion of such payments shall be 2171

paid into the general school district income tax administrative	2172
fund, which is hereby created in the state treasury:	2173
(1) One and three-quarters of one per cent of those received	2174
in fiscal year 1996;	2175
(2) One and one-half per cent of those received in fiscal	2176
year 1997 and thereafter.	2177
Money in the school district income tax administrative fund	2178
shall be used by the tax commissioner to defray costs incurred in	2179
administering the school district's income tax, including the cost	2180
of providing employers with information regarding the rate of tax	2181
imposed by any school district. Any moneys remaining in the fund	2182
after such use shall be deposited in the school district income	2183
tax fund.	2184
All interest earned on moneys in the school district income	2185
tax fund shall be credited to the fund.	2186
(D)(1)(a) Within thirty days of the end of each calendar	2187
quarter ending on the last day of March, June, September, and	2188
December, the director of budget and management shall make a	2189
payment from the school district income tax fund to each school	2190
district for which school district income tax revenue was received	2191
during that quarter. The amount of the payment shall equal the	2192
balance in the school district's account at the end of that	2193
quarter.	2194
(b) After a school district ceases to levy an income tax, the	2195
director of budget and management shall adjust the payments under	2196
division (D)(1)(a) of this section to retain sufficient money in	2197
the school district's account to pay refunds. For the calendar	2198
quarters ending on the last day of March and December of the	2199
calendar year following the last calendar year the tax is levied,	2200
the director shall make the payments in the amount required under	2201
division (D)(1)(a) of this section. For the calendar quarter	2202

ending on the last day of June of the calendar year following the 2203
last calendar year the tax is levied, the director shall make a 2204
payment equal to nine-tenths of the balance in the account at the 2205
end of that quarter. For the calendar quarter ending on the last 2206
day of September of the calendar year following the last calendar 2207
year the tax is levied, the director shall make no payment. For 2208
the second and succeeding calendar years following the last 2209
calendar year the tax is levied, the director shall make one 2210
payment each year, within thirty days of the last day of June, in 2211
an amount equal to the balance in the district's account on the 2212
last day of June. 2213

(2) Moneys paid to a school district under this division 2214
shall be deposited in its school district income tax fund. All 2215
interest earned on moneys in the school district income tax fund 2216
shall be apportioned by the tax commissioner pro rata among the 2217
school districts in the proportions and at the times the districts 2218
are entitled to receive payments under this division. 2219

Sec. 5747.46. As used in sections 5747.46 and 5747.47 of the 2220
Revised Code: 2221

(A) "Year's fund balance" means the amount credited to the 2222
public library and local government support fund during a calendar 2223
year. 2224

(B) "Distribution year" means the calendar year during which 2225
a year's fund balance is distributed under section 5747.47 of the 2226
Revised Code. 2227

(C) "CPI" means the consumer price index for all urban 2228
consumers (United States city average, all items), prepared by the 2229
United States department of labor, bureau of labor statistics. 2230

(D) "Inflation factor" means the quotient obtained by 2231
dividing the CPI for May of the year preceding the distribution 2232

year by the CPI for May of the second preceding year. If the ~~the~~ 2233
quotient so obtained is less than one, the inflation factor shall 2234
equal one. 2235

(E) "Population" means whichever of the following has most 2236
recently been issued, as of the first day of June preceding the 2237
distribution year: 2238

(1) The most recent decennial census figures that include 2239
population figures for each county in the state; 2240

(2) The most current issue of "Current Population Reports: 2241
Local Population Estimates" issued by the United States bureau of 2242
the census that contains population estimates for each county in 2243
the state and the state. 2244

(F) "County's equalization ratio for a distribution year" 2245
means a percentage computed for that county as follows: 2246

(1) Square the per cent that the county's population is of 2247
the state's population; 2248

(2) Divide the product so obtained by the per cent that the 2249
county's total entitlement for the preceding year is of all 2250
counties' total entitlements for the preceding year; 2251

(3) Divide the quotient so obtained by the sum of the 2252
quotients so obtained for all counties. 2253

(G) "Total entitlement" means, with respect to a distribution 2254
year, the sum of a county's guaranteed share plus its share of the 2255
excess. 2256

(1) "Guaranteed share" means, for a distribution year, the 2257
product obtained by multiplying a county's total entitlement for 2258
the preceding distribution year by the inflation factor. If the 2259
sum of the guaranteed shares for all counties exceeds the year's 2260
fund balance, the guaranteed shares of all counties shall be 2261
reduced by a percentage that will result in the sum of such 2262

guaranteed shares being equal to the year's fund balance. 2263

(2) "Share of excess" means, for a distribution year, the 2264
product obtained by multiplying a county's equalization ratio by 2265
the difference between the year's fund balance and the sum of the 2266
guaranteed shares for all counties. If the sum of the guaranteed 2267
shares for all counties exceeds the year's fund balance the share 2268
of the excess for all counties is zero. 2269

(H) "Net distribution" means the sum of the payments made to 2270
a county's public library ~~and local government support~~ fund during 2271
a distribution year, adjusted as follows: 2272

(1) If the county received an overpayment during the 2273
preceding distribution year, add the amount of the overpayment; 2274

(2) If the county received an underpayment during the 2275
preceding distribution year, deduct the amount of the 2276
underpayment. 2277

(I) "Overpayment" or "underpayment" for a distribution year 2278
means the amount by which the net distribution to a county's 2279
public library ~~and local government support~~ fund during that 2280
distribution year exceeded or was less than the county's total 2281
entitlement for that year. 2282

All computations made under this section shall be rounded to 2283
the nearest one-hundredth of one per cent. 2284

Sec. 5747.47. (A)(1) By the twentieth day of July of each 2285
year, the tax commissioner shall estimate and certify the 2286
following for each county to its county auditor: 2287

(a) Its guaranteed share of the ensuing year's fund balance; 2288

(b) Its share of the excess of the ensuing year's fund 2289
balance; 2290

(c) Its total entitlement. 2291

(2) In December and in June following such estimations and 2292
certifications, the commissioner shall revise such estimates and 2293
certify such revised estimates to the respective county auditors. 2294

(B) By the tenth day of each month the commissioner shall 2295
distribute the amount credited to the public library ~~and local~~ 2296
~~government support~~ fund in the current month under section 131.51 2297
of the Revised Code. The distributions shall be made as follows: 2298

(1) During the first six months of each year, each county 2299
shall be paid a percentage of the balance that is the same per 2300
cent that the revised estimate of the county's total entitlement 2301
certified in December under division (A)(2) of this section is of 2302
the sum of such revised estimates of the total entitlements for 2303
all counties. 2304

(2) During the last six months, each county shall be paid a 2305
percentage of the balance that is the same per cent that the 2306
revised estimate of the county's total entitlement certified in 2307
June under division (A)(2) of this section is of the sum of such 2308
revised estimates of the total entitlements for all counties. 2309

(3) During each of the first six months of each year, the 2310
payments made to each county shall be adjusted as follows: 2311

(a) If the county received an overpayment during the 2312
preceding distribution year, reduce the sum of the payments by the 2313
amount of such overpayment. The reduction shall be apportioned 2314
over the six months. 2315

(b) If the county received an underpayment during the 2316
preceding distribution year, increase the sum of the payments by 2317
the amount of such underpayment. The increase shall be apportioned 2318
over the six months. 2319

(C) By the twentieth day of December of each year, the tax 2320
commissioner shall determine and certify to the auditor of each 2321
county each of the following with respect to the current 2322

distribution year:	2323
(1) The year's fund balance;	2324
(2) Each county's guaranteed share;	2325
(3) Each county's share of the excess;	2326
(4) Each county's total entitlement;	2327
(5) Each county's net distribution;	2328
(6) The amount by which each county's net distribution	2329
exceeded or was less than its total entitlement, which amount	2330
shall constitute the county's overpayment or underpayment for	2331
purposes of division (B)(3) of this section in the ensuing	2332
distribution year.	2333
Sec. 5747.48. On the fifteenth day of each month, the county	2334
treasurer shall distribute the balance in the county <u>public</u>	2335
library and local government support fund among the county, boards	2336
of public library trustees, municipal corporations, and boards of	2337
township park commissioners for which the county budget commission	2338
has fixed an allocation from the fund in that year in accordance	2339
with section 5705.32 of the Revised Code in the same proportions	2340
that each such entity's allocation as fixed by the commission is	2341
of the total of all such allocations in that year.	2342
All money received into the treasury of a municipal	2343
corporation or county shall be credited to the general fund	2344
therein, provided that in a municipal corporation there shall be	2345
credited to the funds established under division (D) of section	2346
5705.09 of the Revised Code a portion of the total amount to be	2347
credited to funds of the municipal corporation, which portion	2348
shall be determined by multiplying the total amount to be credited	2349
by the percentage that the funds credited under division (D) of	2350
said section in 1938 bore to all the funds credited under said	2351
section in 1938. If a municipal corporation is in default with	2352

respect to the principal or interest of any outstanding notes or 2353
bonds, the moneys distributed under this section shall be credited 2354
to the funds established under divisions (A), (B), (C), and (D) of 2355
section 5705.09 of the Revised Code, in the same proportion in 2356
which the funds derived from the levy for the previous year on the 2357
general tax list and duplicate are divided. 2358

Sec. 5747.51. (A) On or before the twenty-fifth day of July 2359
of each year, the tax commissioner shall make and certify to the 2360
county auditor of each county an estimate of the amount of the 2361
local government fund to be allocated to the undivided local 2362
government fund of each county for the ensuing calendar year and 2363
the estimated amount to be received by the undivided local 2364
government fund of each county from the taxes levied pursuant to 2365
section 5707.03 of the Revised Code for the ensuing calendar year. 2366
2367

(B) At each annual regular session of the county budget 2368
commission convened pursuant to section 5705.27 of the Revised 2369
Code, each auditor shall present to the commission the certificate 2370
of the commissioner, the annual tax budget and estimates, and the 2371
records showing the action of the commission in its last preceding 2372
regular session. The estimates shown on the certificate of the 2373
commissioner of the amount to be allocated from the local 2374
government fund and the amount to be received from taxes levied 2375
pursuant to section 5707.03 of the Revised Code shall be combined 2376
into one total comprising the estimate of the undivided local 2377
government fund of the county. The commission, after extending to 2378
the representatives of each subdivision an opportunity to be 2379
heard, under oath administered by any member of the commission, 2380
and considering all the facts and information presented to it by 2381
the auditor, shall determine the amount of the undivided local 2382
government fund needed by and to be apportioned to each 2383
subdivision for current operating expenses, as shown in the tax 2384

budget of the subdivision. This determination shall be made 2385
pursuant to divisions (C) to (I) of this section, unless the 2386
commission has provided for a formula pursuant to section 5747.53 2387
of the Revised Code. 2388

Nothing in this section prevents the budget commission, for 2389
the purpose of apportioning the undivided local government fund, 2390
from inquiring into the claimed needs of any subdivision as stated 2391
in its tax budget, or from adjusting claimed needs to reflect 2392
actual needs. For the purposes of this section, "current operating 2393
expenses" means the lawful expenditures of a subdivision, except 2394
those for permanent improvements and except payments for interest, 2395
sinking fund, and retirement of bonds, notes, and certificates of 2396
indebtedness of the subdivision. 2397

(C) The commission shall determine the combined total of the 2398
estimated expenditures, including transfers, from the general fund 2399
and any special funds other than special funds established for 2400
road and bridge; street construction, maintenance, and repair; 2401
state highway improvement; and gas, water, sewer, and electric 2402
public utilities operated by a subdivision, as shown in the 2403
subdivision's tax budget for the ensuing calendar year. 2404

(D) From the combined total of expenditures calculated 2405
pursuant to division (C) of this section, the commission shall 2406
deduct the following expenditures, if included in these funds in 2407
the tax budget: 2408

(1) Expenditures for permanent improvements as defined in 2409
division (E) of section 5705.01 of the Revised Code; 2410

(2) In the case of counties and townships, transfers to the 2411
road and bridge fund, and in the case of municipalities, transfers 2412
to the street construction, maintenance, and repair fund and the 2413
state highway improvement fund; 2414

(3) Expenditures for the payment of debt charges; 2415

(4) Expenditures for the payment of judgments.	2416
(E) In addition to the deductions made pursuant to division	2417
(D) of this section, revenues accruing to the general fund and any	2418
special fund considered under division (C) of this section from	2419
the following sources shall be deducted from the combined total of	2420
expenditures calculated pursuant to division (C) of this section:	2421
(1) Taxes levied within the ten-mill limitation, as defined	2422
in section 5705.02 of the Revised Code;	2423
(2) The budget commission allocation of estimated county	2424
public library and local government support fund revenues to be	2425
distributed pursuant to section 5747.48 of the Revised Code;	2426
(3) Estimated unencumbered balances as shown on the tax	2427
budget as of the thirty-first day of December of the current year	2428
in the general fund, but not any estimated balance in any special	2429
fund considered in division (C) of this section;	2430
(4) Revenue, including transfers, shown in the general fund	2431
and any special funds other than special funds established for	2432
road and bridge; street construction, maintenance, and repair;	2433
state highway improvement; and gas, water, sewer, and electric	2434
public utilities, from all other sources except those that a	2435
subdivision receives from an additional tax or service charge	2436
voted by its electorate or receives from special assessment or	2437
revenue bond collection. For the purposes of this division, where	2438
the charter of a municipal corporation prohibits the levy of an	2439
income tax, an income tax levied by the legislative authority of	2440
such municipal corporation pursuant to an amendment of the charter	2441
of that municipal corporation to authorize such a levy represents	2442
an additional tax voted by the electorate of that municipal	2443
corporation. For the purposes of this division, any measure	2444
adopted by a board of county commissioners pursuant to section	2445
322.02, 324.02, 4504.02, or 5739.021 of the Revised Code,	2446

including those measures upheld by the electorate in a referendum 2447
conducted pursuant to section 322.021, 324.021, 4504.021, or 2448
5739.022 of the Revised Code, shall not be considered an 2449
additional tax voted by the electorate. 2450

Subject to division (G) of section 5705.29 of the Revised 2451
Code, money in a reserve balance account established by a county, 2452
township, or municipal corporation under section 5705.13 of the 2453
Revised Code shall not be considered an unencumbered balance or 2454
revenue under division (E)(3) or (4) of this section. Money in a 2455
reserve balance account established by a township under section 2456
5705.132 of the Revised Code shall not be considered an 2457
unencumbered balance or revenue under division (E)(3) or (4) of 2458
this section. 2459

If a county, township, or municipal corporation has created 2460
and maintains a nonexpendable trust fund under section 5705.131 of 2461
the Revised Code, the principal of the fund, and any additions to 2462
the principal arising from sources other than the reinvestment of 2463
investment earnings arising from such a fund, shall not be 2464
considered an unencumbered balance or revenue under division 2465
(E)(3) or (4) of this section. Only investment earnings arising 2466
from investment of the principal or investment of such additions 2467
to principal may be considered an unencumbered balance or revenue 2468
under those divisions. 2469

(F) The total expenditures calculated pursuant to division 2470
(C) of this section, less the deductions authorized in divisions 2471
(D) and (E) of this section, shall be known as the "relative need" 2472
of the subdivision, for the purposes of this section. 2473

(G) The budget commission shall total the relative need of 2474
all participating subdivisions in the county, and shall compute a 2475
relative need factor by dividing the total estimate of the 2476
undivided local government fund by the total relative need of all 2477
participating subdivisions. 2478

(H) The relative need of each subdivision shall be multiplied 2479
by the relative need factor to determine the proportionate share 2480
of the subdivision in the undivided local government fund of the 2481
county; provided, that the maximum proportionate share of a county 2482
shall not exceed the following maximum percentages of the total 2483
estimate of the undivided local government fund governed by the 2484
relationship of the percentage of the population of the county 2485
that resides within municipal corporations within the county to 2486
the total population of the county as reported in the reports on 2487
population in Ohio by the department of development as of the 2488
twentieth day of July of the year in which the tax budget is filed 2489
with the budget commission: 2490

Percentage of	Percentage share	
municipal population	of the county	2491
within the county:	shall not exceed:	2492
Less than forty-one per cent	Sixty per cent	2493
Forty-one per cent or more but less		2494
than eighty-one per cent	Fifty per cent	2495
Eighty-one per cent or more	Thirty per cent	2496

Where the proportionate share of the county exceeds the 2498
limitations established in this division, the budget commission 2499
shall adjust the proportionate shares determined pursuant to this 2500
division so that the proportionate share of the county does not 2501
exceed these limitations, and it shall increase the proportionate 2502
shares of all other subdivisions on a pro rata basis. In counties 2503
having a population of less than one hundred thousand, not less 2504
than ten per cent shall be distributed to the townships therein. 2505

(I) The proportionate share of each subdivision in the 2506
undivided local government fund determined pursuant to division 2507
(H) of this section for any calendar year shall not be less than 2508
the product of the average of the percentages of the undivided 2509
local government fund of the county as apportioned to that 2510

subdivision for the calendar years 1968, 1969, and 1970, 2511
multiplied by the total amount of the undivided local government 2512
fund of the county apportioned pursuant to former section 5735.23 2513
of the Revised Code for the calendar year 1970. For the purposes 2514
of this division, the total apportioned amount for the calendar 2515
year 1970 shall be the amount actually allocated to the county in 2516
1970 from the state collected intangible tax as levied by section 2517
5707.03 of the Revised Code and distributed pursuant to section 2518
5725.24 of the Revised Code, plus the amount received by the 2519
county in the calendar year 1970 pursuant to division (B)(1) of 2520
former section 5739.21 of the Revised Code, and distributed 2521
pursuant to former section 5739.22 of the Revised Code. If the 2522
total amount of the undivided local government fund for any 2523
calendar year is less than the amount of the undivided local 2524
government fund apportioned pursuant to former section 5739.23 of 2525
the Revised Code for the calendar year 1970, the minimum amount 2526
guaranteed to each subdivision for that calendar year pursuant to 2527
this division shall be reduced on a basis proportionate to the 2528
amount by which the amount of the undivided local government fund 2529
for that calendar year is less than the amount of the undivided 2530
local government fund apportioned for the calendar year 1970. 2531

(J) On the basis of such apportionment, the county auditor 2532
shall compute the percentage share of each such subdivision in the 2533
undivided local government fund and shall at the same time certify 2534
to the tax commissioner the percentage share of the county as a 2535
subdivision. No payment shall be made from the undivided local 2536
government fund, except in accordance with such percentage shares. 2537

Within ten days after the budget commission has made its 2538
apportionment, whether conducted pursuant to section 5747.51 or 2539
5747.53 of the Revised Code, the auditor shall publish a list of 2540
the subdivisions and the amount each is to receive from the 2541
undivided local government fund and the percentage share of each 2542

subdivision, in a newspaper or newspapers of countywide 2543
circulation, and send a copy of such allocation to the tax 2544
commissioner. 2545

The county auditor shall also send by certified mail, return 2546
receipt requested, a copy of such allocation to the fiscal officer 2547
of each subdivision entitled to participate in the allocation of 2548
the undivided local government fund of the county. This copy shall 2549
constitute the official notice of the commission action referred 2550
to in section 5705.37 of the Revised Code. 2551

All money received into the treasury of a subdivision from 2552
the undivided local government fund in a county treasury shall be 2553
paid into the general fund and used for the current operating 2554
expenses of the subdivision. 2555

If a municipal corporation maintains a municipal university, 2556
such municipal university, when the board of trustees so requests 2557
the legislative authority of the municipal corporation, shall 2558
participate in the money apportioned to such municipal corporation 2559
from the total local government fund, however created and 2560
constituted, in such amount as requested by the board of trustees, 2561
provided such sum does not exceed nine per cent of the total 2562
amount paid to the municipal corporation. 2563

If any public official fails to maintain the records required 2564
by sections 5747.50 to 5747.55 of the Revised Code or by the rules 2565
issued by the tax commissioner, the auditor of state, or the 2566
treasurer of state pursuant to such sections, or fails to comply 2567
with any law relating to the enforcement of such sections, the 2568
local government fund money allocated to the county may be 2569
withheld until such time as the public official has complied with 2570
such sections or such law or the rules issued pursuant thereto. 2571

Sec. 5747.52. The form used by the county budget commission 2572
to calculate subdivision shares of the undivided local government 2573

fund as apportioned pursuant to section 5747.51 of the Revised Code shall be as follows:		2574
Calculation of (name of subdivision) share of undivided local government fund for (name of county) county		2575
Authorized expenditure for subdivision	Total	2576
1. Estimated expenditures from general fund	.....	2577
2. Estimated expenditures from special funds other than those established for road and bridge, street construction, maintenance, and state highway improvement, and for gas, water, sewer, and electric public utilities	.....	2578
3. Total	.....	2579
Deductions from authorized expenditures		2580
4. Expenditures for permanent improvements	.....	2581
5. Transfers to road and bridge fund (counties and townships only)	.....	2582
6. Transfers to street construction, maintenance, and repair, and state highway improvements funds	.....	2583
7. Expenditures for the payment of debt charges	.....	2584
8. Expenditures for the payment of judgments	.....	2585
9. Taxes levied inside the "ten-mill limitation"	.....	2586
10. Budget commission allocation of estimated county public library and local government support fund revenues	.....	2587
11. Estimated unencumbered balances as of December 31 of current year in the general funds as stated in the tax budget	.....	2588
12. Revenue, including transfers, shown in the general fund or any special funds other than special funds established for road and bridge, street construction, maintenance, and repair, and state highway improvement, and for gas, water, sewer, and electric public	.....	2589

utilities, from all other sources except those from additional taxes or service charges voted by electorate as defined in division (E)(4) of section 5747.51 of the Revised Code, and except revenue from special assessment and revenue bond collections

13. Total	.....	2593
Calculation of subdivision share		2594
14. Relative need of subdivision (line 3 less line 13)	.....	2595
15. Relative need factor for county (total estimate of undivided local government fund divided by total relative need of all participating subdivisions)	.....	2596
16. Proportionate share of subdivision (relative need of subdivision multiplied by relative need factor)	.....	2597
17. After any adjustments necessary to comply with statutory maximum share allowable to county	.....	2598
18. After any adjustments necessary to comply with statutory minimum share allowable to townships	.....	2599
19. After any adjustments necessary to comply with minimum guarantee in division (I) of section 5747.51 of the Revised Code	.....	2600
20. Proportionate share of subdivision (line 16, 17, 18, or 19, whichever is appropriate)	.....	2601

Section 2. That existing sections 127.14, 131.18, 131.44, 131.51, 133.10, 135.35, 135.352, 149.411, 321.08, 3375.05, 3375.121, 3375.32, 3375.35, 3375.36, 3375.37, 3375.38, 3375.39, 3375.40, 3375.404, 3375.41, 3375.42, 3375.85, 3375.91, 3375.92, 5705.28, 5705.281, 5705.31, 5705.32, 5705.321, 5705.37, 5715.36, 5719.041, 5747.03, 5747.46, 5747.47, 5747.48, 5747.51, and 5747.52 of the Revised Code are hereby repealed.

Section 3. On and after the effective date of this act, references to the Library and Local Government Support Fund,

wherever they are encountered, shall be read as if they were 2611
 references to the Public Library Fund. 2612

On and after the effective date of this act, references to a 2613
 County Library and Local Government Support Fund, wherever they 2614
 are encountered, shall be read as if they were references to a 2615
 County Public Library Fund. 2616

Section 4. That Section 323.10 of H.B. 119 of the 127th 2617
 General Assembly be amended to read as follows: 2618

Sec. 323.10. LIB STATE LIBRARY BOARD 2619

General Revenue Fund 2620

GRF 350-321	Operating Expenses	\$	6,298,677	\$	6,298,677	2621
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GRF 350-400	Ohio Public Library	\$	4,330,000	\$	4,330,000	2622
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Information Network

GRF 350-401	Ohioana Rental	\$	124,816	\$	124,816	2623
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Payments

GRF 350-501	Library for the	\$	535,615	\$	535,615	2624
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Blind-Cincinnati

GRF 350-502	Regional Library	\$	1,010,441	\$	1,010,441	2625
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Systems

GRF 350-503	Library for the	\$	805,642	\$	805,642	2626
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Blind-Cleveland

TOTAL GRF	General Revenue Fund	\$	13,105,191	\$	13,105,191	2627
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General Services Fund Group 2628

139 350-602	Intra-Agency Service	\$	9,000	\$	9,000	2629
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Charges

4S4 350-604	Ohio Public Library	\$	3,000,000	\$	3,000,000	2630
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Information Network

Technology

459 350-602	Library Service	\$	2,708,092	\$	2,708,092	2631
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Charges

TOTAL GSF General Services				2632
Fund Group	\$	5,717,092	\$ 5,717,092	2633
Federal Special Revenue Fund Group				2634
313 350-601 LSTA Federal	\$	5,691,792	\$ 5,691,792	2635
TOTAL FED Federal Special Revenue				2636
Fund Group	\$	5,691,792	\$ 5,691,792	2637
TOTAL ALL BUDGET FUND GROUPS	\$	24,514,075	\$ 24,514,075	2638
OHIOANA RENTAL PAYMENTS				2639
The foregoing appropriation item 350-401, Ohioana Rental				2640
Payments, shall be used to pay the rental expenses of the Martha				2641
Kinney Cooper Ohioana Library Association pursuant to section				2642
3375.61 of the Revised Code.				2643
LIBRARY FOR THE BLIND-CINCINNATI				2644
The foregoing appropriation item 350-501, Library for the				2645
Blind-Cincinnati, shall be used for the Talking Book program,				2646
which assists the blind and disabled.				2647
REGIONAL LIBRARY SYSTEMS				2648
The foregoing appropriation item 350-502, Regional Library				2649
Systems, shall be used to support regional library systems				2650
eligible for funding under sections 3375.83 and 3375.90 of the				2651
Revised Code.				2652
LIBRARY FOR THE BLIND-CLEVELAND				2653
The foregoing appropriation item 350-503, Library for the				2654
Blind-Cleveland, shall be used for the Talking Book program, which				2655
assists the blind and disabled.				2656
OHIO PUBLIC LIBRARY INFORMATION NETWORK				2657
<u>(A)</u> The foregoing appropriation items 350-604, Ohio Public				2658
Library Information Network Technology, and 350-400, Ohio Public				2659
Library Information Network, shall be used for an information				2660

telecommunications network linking public libraries in the state 2661
and such others as may be ~~certified as participants by~~ participate 2662
in the Ohio Public Library Information Network ~~Board~~ (OPLIN). 2663

~~The Ohio Public Library Information Network Board shall~~ 2664
~~consist of eleven members appointed by the State Library Board~~ 2665
~~from among the staff of public libraries and past and present~~ 2666
~~members of boards of trustees of public libraries, based on the~~ 2667
~~recommendations of the Ohio library community. The Ohio Public~~ 2668
~~Library Information Network Board, in consultation with the State~~ 2669
~~Library, shall develop a plan of operations for the network. The~~ 2670
~~board of Trustees created under section 3375.65 of the Revised~~ 2671
~~Code may make decisions regarding use of the foregoing~~ 2672
appropriation items 350-400, Ohio Public Library Information 2673
Network, and 350-604, Ohio Public Library Information Network 2674
Technology, ~~may receive and expend grants to carry out the~~ 2675
~~operations of the network in accordance with state law and the~~ 2676
~~authority to appoint and fix the compensation of a director and~~ 2677
~~necessary staff. The State Library shall be the fiscal agent for~~ 2678
~~the network and shall have fiscal accountability for the~~ 2679
~~expenditure of funds. The Ohio Public Library Information Network~~ 2680
~~Board members shall be reimbursed for actual travel and necessary~~ 2681
~~expenses incurred in carrying out their responsibilities.~~ 2682

~~In order to limit access to obscene and illegal materials~~ 2683
~~through internet use at Ohio Public Library Information Network~~ 2684
~~(OPLIN) terminals, local libraries with OPLIN computer terminals~~ 2685
~~shall adopt policies that control access to obscene and illegal~~ 2686
~~materials. These policies may include use of technological systems~~ 2687
~~to select or block certain internet access. The OPLIN shall~~ 2688
~~condition provision of its funds, goods, and services on~~ 2689
~~compliance with these policies. The OPLIN Board shall also adopt~~ 2690
~~and communicate specific recommendations to local libraries on~~ 2691
~~methods to control such improper usage. These methods may include~~ 2692

~~each library implementing a written policy controlling such 2693
improper use of library terminals and requirements for parental 2694
involvement or written authorization for juvenile internet usage. 2695~~

(B) Of the foregoing appropriation item 350-400, Ohio Public 2696
Library Information Network, up to \$100,000 in each fiscal year 2697
shall be used to help local libraries purchase or maintain filters 2698
to screen out obscene and illegal internet materials. 2699

The OPLIN Board shall research and assist or advise local 2700
libraries with regard to emerging technologies and methods that 2701
may be effective means to control access to obscene and illegal 2702
materials. The OPLIN Executive Director shall biannually provide 2703
written reports to the Governor, the Speaker and Minority Leader 2704
of the House of Representatives, and the President and Minority 2705
Leader of the Senate on any steps being taken by OPLIN and public 2706
libraries in the state to limit and control such improper usage as 2707
well as information on technological, legal, and law enforcement 2708
trends nationally and internationally affecting this area of 2709
public access and service. 2710

(C) The Ohio Public Library Information Network, INFOhio, and 2711
OhioLINK shall, to the extent feasible, coordinate and cooperate 2712
in their purchase or other acquisition of the use of electronic 2713
databases for their respective users and shall contribute funds in 2714
an equitable manner to such effort. 2715

Section 5. That existing Section 323.10 of H.B. 119 of the 2716
127th General Assembly is hereby repealed. 2717

Section 6. Section 3375.41 of the Revised Code is presented 2718
in this act as a composite of the section as amended by both Am. 2719
Sub. H.B. 95 and Am. Sub. S.B. 55 of the 125th General Assembly. 2720
Section 5705.31 of the Revised Code is presented in this act as a 2721
composite of the section as amended by both H.B. 129 and S.B. 5 of 2722
the 124th General Assembly. The General Assembly, applying the 2723

principle stated in division (B) of section 1.52 of the Revised 2724
Code that amendments are to be harmonized if reasonably capable of 2725
simultaneous operation, finds that the composite of each such 2726
section is the resulting version of the section in effect prior to 2727
the effective date of the section as presented in this act. 2728
2729