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135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 315's Bill Analysis](#)

Version: In Senate Local Government

Primary Sponsors: Reps. Hall and Seitz

Local Impact Statement Procedure Required: No

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Highlights

Indigent Burial and Cremation Support

- The bill appropriates \$1.0 million in FY 2025 under GRF appropriation line item (ALI) 881500, Indigent Burial and Cremation Support, under the budget for the State Board of Embalmers and Funeral Directors. The Board is required to use this funding to subsidize the costs that local governments incur for burying or cremating the remains of indigent persons.

Township authority

- The bill allows townships to create township preservation commissions. As a result, townships can become Certified Local Governments (CLGs) and access federal funding for historic preservation. The Ohio History Connection administers these grants to CLGs.
- The bill creates a new process for townships to handle zoning violations by classifying them as civil violations and allowing police to issue citations. This could potentially decrease township zoning enforcement costs, although courts may incur costs to hold hearings in cases where a civil fine is disputed. These costs may be offset by court fees.
- The bill allows townships to publish various required public notices online or on social media instead of in newspapers. This could decrease public notice costs for townships in certain circumstances. Townships will need to maintain proof of publication for online publication on their website and social media accounts.
- The bill modifies township authority to regulate massage establishments and providers. Specifically, the bill repeals the authority for township-issued licenses for massagers.

Townships will no longer collect \$100 per application and \$50 per renewal to cover licensing administration costs.

- The bill allows townships to impose up to a \$1 fee per admission to certain tax exempt event venues with a capacity of at least 2,000. This revenue is to be used for township police, fire, and emergency medical services.

Ransomware

- The Department of Public Safety (DPS) may incur additional costs to receive and review notifications of cybersecurity incidents and ransomware attacks from political subdivisions, the magnitude of which will depend on how DPS implements the requirement and the number of such incidents that occur annually.
- The bill prohibits political subdivisions from complying with demands stemming from a ransomware attack without explicit approval from DPS and requires political subdivisions to notify the Division of Homeland Security within DPS and Auditor of State of a ransomware attack.

Conservancy districts

- The bill increases statutory competitive bidding thresholds from \$50,000 to \$75,000 for conservancy districts. Starting in 2025, the provision increases the threshold amount by 3% each year. The impact to overall conservancy district contract costs is uncertain as a result of few projects going to bid.
- The bill allows the board of directors of a conservancy district that includes all or parts of more than 16 counties (the Muskingum Watershed Conservancy District) to establish a charitable trust, a social welfare trust, or both and use surplus money in its maintenance fund to provide financial support to a conservancy district charitable trust or social welfare trust.

Automated external defibrillator (AED) requirements

- The bill makes AED law exemptions for sport and recreation locations when these locations are not hosting an organized youth sport activity or are located in certain townships. Local political subdivisions that receive exemptions may experience some cost savings.

Definition of antisemitism

- Defining antisemitism for the purpose of investigations and proceedings by state agencies would codify an existing executive order (Executive Order 2022-06D), thus it should have no fiscal effect on most state agencies. However, it may add to the complexity of investigations and, potentially, increase charges filed for the Ohio Civil Rights Commission.
- The bill requires anti-discrimination and anti-bias training for state agency employees to use the International Holocaust Remembrance Alliance (IHRA) working definition of antisemitism as an educational tool to familiarize staff and officials with antisemitism. As a result, some state agencies may experience a one-time administrative cost to modify, as necessary, their existing training programs.

Auditor of State

- The bill expands the use of GRF ALI 070403, Fiscal Distress Technical Assistance, in the current biennium to support costs incurred by the Auditor of State (AOS) for colleges or universities in or at risk of entering in a state of fiscal caution, watch, or emergency. For the current FY 2024-FY 2025 biennium, this funding is to be used to support only political subdivisions and schools in such conditions.

Public records

- The bill designates more than 1,000 election officials as designated public service workers whose residential and familial information is exempt from disclosure in public records. This could result in some small amount of additional administrative costs for public offices that receive requests to redact certain identifying information from public records.
- Under the bill, a judge and a prosecuting attorney may submit an affidavit to have their name removed from the general tax list and duplicate of real and public utility property, and replaced with the person's initials. This could result in some small amount of additional administrative costs for public offices that receive requests to redact certain identifying information from public records.
- The bill specifies personnel files and payroll and attendance records of designated public service workers as public records. This could result in some small amount of additional administrative costs for public offices that receive requests to disclose public records added under the bill.

Detailed Analysis

The bill contains several provisions that affect township government. It also covers various changes to state law that affect various other political subdivisions. A comprehensive explanation of these provisions is available in the LSC bill analysis. The provisions with fiscal effects are explained in more detail below.

Indigent burial subsidy for local governments

The bill appropriates \$1.0 million in FY 2025 under GRF appropriation line item (ALI) 881500, Indigent Burial and Cremation Support. This funding is to be used by the State Board of Embalmers and Funeral Directors (FUN) to reinstate the Indigent Burial and Cremation Support Program. The program helps local government entities offset the costs they incur for cremating or burying the remains of indigent people. Reimbursements may not exceed \$750 for a child or \$1,000 for an adult. Since inheriting the program from the Ohio Department of Job and Family Services in 2019, FUN has satisfied approximately 1,500 applications for financial help under the program. Funding for the indigent burial subsidy was not included in H.B. 33, the main operating budget act of the FY 2024-FY 2025 biennium.

Townships

Township preservation commissions

The bill allows townships to create township preservation commissions. This provision enables townships to fulfill certain requirements to become Certified Local Governments (CLGs) and pursue funding through the Ohio History Connection (OHC). As CLGs, townships are eligible

for federal grants administered by OHC to help carry out historic preservation activities. CLG grant awards range from \$5,000 to \$25,000 and generally require a 40% match.

Funding for grants to CLGs come from the U.S. Department of the Interior's Historic Preservation Fund (CFDA 15.904), administered by the National Park Service, which provides financial support to state historic preservation offices such as OHC. Under provisions of the National Historic Preservation Act, 10% of the annual appropriation to Ohio is set aside for CLG grants. Ohio's CLG grants are awarded on a 60%/40% matching basis except for projects that qualify as "funding priorities" which can be funded up to 100% of the project cost. The grant recipient match can be made through any combination of cash, in-kind, and donated services and materials. With the exception of Community Development Block Grant (CDBG) funds, federal funds cannot be used to meet the matching share requirements of CLG grants.

Township zoning violations

The bill classifies zoning violations as civil violations, which potentially decreases their enforcement costs. Instead of hiring a zoning inspection employee to enforce the zoning code, townships could use police officers for zoning enforcement. Courts may incur costs to hold a hearing if the civil fine is disputed. These costs may be offset by court fees. It is unclear how many townships would classify zoning violations as civil violations, how many fines would be issued, and how many fines would be disputed in court.

Newspaper notices

Under the bill, townships may see decreased costs for providing public notices in certain circumstances. The bill allows townships to forego newspaper advertising, in either digital or print ads, and either publish via the state public notice website or the township's website and social media account. However, the bill does not permit these alternative publication methods in all cases. Specifically, if an existing newspaper publication requirement applies to a variety of entities and not only townships (e.g., townships, counties, and municipal corporations), then the newspaper publication requirement applies. If a township website and social media account are used, the township will need to document and maintain proof of publication.

Roads

The bill codifies an existing practice for townships to use general fund money to cover road and culvert maintenance, repair, and construction in addition to the township road fund as required under current law. This change provides a clarification of current law and does not have any new fiscal effect on townships.

Township event admissions fee

The bill authorizes townships to impose a fee of up to \$1 per admission to certain tax exempt event venues with a capacity of at least 2,000. The fee would be referred to as the "Protect and Serve Charge." The revenue collected from this charge would go to police, fire, and emergency medical services. The fee would not apply to admissions to county fairgrounds, events sponsored by the state or a local government, or events with a ticket price of \$10 or less.

Ransomware

Local governments and Department of Public Safety

The bill prohibits political subdivisions from paying a ransom or otherwise complying with ransom demands during a ransomware incident without the explicit approval of the Department of Public Safety (DPS). The bill additionally requires political subdivisions to notify the Auditor of State and the Executive Director of the Division of Homeland Security within DPS of a cybersecurity incident or ransomware incident. The bill does not specify how notifications are to be made by political subdivisions. The magnitude of any costs incurred to receive notifications and approve payments will depend on the procedures that are implemented by DPS and the number of ransomware incidents that occur annually. The fiscal impact of this change in procedure is unclear. However, DPS and a political subdivision would presumably agree to cases where paying a ransomware demand was considered fiscally prudent.

A related change under the bill requires political subdivisions to adopt a cybersecurity program. Presumably, many political subdivisions already have such cybersecurity programs and protocols in place when these incidents occur. But for any political subdivisions that do not, they could incur some costs for adopting these state-mandated cybersecurity policies. Finally, the bill specifies that records and documents related to the cybersecurity program and framework, and reports of incidents, are not subject to release as a public record.

Conservancy districts

Competitive bidding

The bill increases the competitive bidding threshold for conservancy districts from \$50,000 to \$75,000 and provides for a 3% increase to this amount in each year beginning with calendar year 2025. This provision aligns the competitive bidding threshold for conservancy districts with that for other political subdivisions. The increase in the bidding threshold may result in fewer projects being bid, thereby reducing the administrative costs associated with the bidding process. However, the impact to overall conservancy district contract costs is uncertain.

Endowments

The bill allows the board of directors of a conservancy district that includes all or parts of more than 16 counties to establish a charitable trust, a social welfare trust, or both and use surplus money in its maintenance fund to provide financial support to a conservancy district charitable trust or social welfare trust. By definition, this applies to the Muskingum Watershed Conservancy District. In particular, the bill establishes certain requirements for these trusts and exempts these trusts from being considered a “subdivision” under the existing uniform depository act, “public office” under the public records law, or “charitable trust” under existing charitable trusts law. It also exempts money in a conservancy district charitable trust and social welfare trust and money received for such trusts from the meaning of “public moneys” under the uniform depository act.

Automated external defibrillator requirements

Under the bill, local political subdivisions that receive automated external defibrillator (AED) exemptions may experience some cost savings. An AED costs about \$1,500 more or less while ongoing maintenance costs may add up to a few hundred dollars per year. The bill specifies that AEDs must be placed in each sports and recreation location at any time that the location is

hosting an organized youth sport activity. Current law requires placement at any location not exempted at all times. Additionally, it specifies that the AED requirements for sport and recreation locations do not apply to a township if the population of the unincorporated area of the township is less than 5,000.

Definition of antisemitism

Under the bill, when a state agency reviews, investigates, or decides whether there has been a violation of any relevant policy, law, or regulation prohibiting discriminatory acts the agency must consider the working definition of antisemitism adopted by the International Holocaust Remembrance Alliance (IHRA) on May 26, 2016, to determine whether an alleged act was motivated by discriminatory antisemitic intent. Currently, pursuant to an executive order, all state agencies, departments, boards, and commissions (including all public colleges and universities) must use this definition, or an “appropriate alternative” definition, when taking these actions. Thus, as the bill would codify the executive order, it should have no fiscal effect on most state agencies.

The bill also requires anti-discrimination and anti-bias training for state agency employees to use the IHRA working definition of antisemitism as an educational tool to familiarize staff and officials with antisemitism. As a result, some state agencies may incur no more than minimal one-time costs to modify their existing training programs.

Public records

Election officials

The bill exempts certain election officials from having their residential and familial information disclosed as a public record by designating them as designated public service workers. The persons included in the definition of “election official” are listed in the LSC bill analysis. Continuing law includes a number of other persons as designated public service workers, including law enforcement and other first responders, judges, prosecutors, and certain medical and social service providers. In order to prevent their residential and familial information from being disclosed as a public record, election officials will need to notify the necessary public offices.

Classifying election officials as designated public service workers could result in some small amount of additional administrative costs for public offices. Allowing former public service workers to request that certain identifying information be redacted and protected from disclosure on the internet could result in some minimal increase in staff time for handling these requests. Presumably, there will likely be few requests to redact this information, with any such requests handled by existing staff using available resources. However, there is also the possibility that these exemptions could lead to some negligible savings in administrative time when fulfilling public records requests and managing employment records of designated public service workers because the applicable information would not need to be collected and reported. Statewide, over 1,000 state and local government employees are classified as election officials who could request the redaction of identifying information under the bill.

Judges and prosecuting attorneys

Under the bill, a judge and a prosecuting attorney may submit an affidavit to have their name removed from the general tax list and duplicate of real and public utility property, and

replaced with the person's initials. This could result in some small amount of additional administrative costs for public offices that receive requests to redact certain identifying information from public records.

Designated public service workers

The bill specifies that a "public record concerning a criminal investigation or prosecution or concerning what would be a criminal investigation or prosecution if the subject of the investigation were an adult" includes personnel files and payroll and attendance records of designated public service workers. This could result in some small amount of additional administrative costs for public offices that receive requests to disclose public records added under the bill.

Auditor of State

The bill expands the use of GRF ALI 070403, Fiscal Distress Technical Assistance, in the current biennium to support costs incurred by the Auditor of State (AOS) for colleges or universities in or at risk of entering in a state of fiscal caution, watch, or emergency. In the current biennium, this line item has been used to support technical assistance provided by the AOS to local governments and schools in or at risk of entering fiscal caution, watch, or emergency. The AOS spent just under \$262,000 in FY 2024 to assist municipal corporations, counties, townships, and school districts in these circumstances.

Department of Development

The bill prohibits the Department of Development from considering whether a historic rehabilitation project is located in or will benefit an economically distressed area in awarding historic rehabilitation tax credits, such as by weighting preference based on the poverty rate in the jurisdiction or census tract. Under its current scoring criteria, the Department gives preference to projects located in such an area. While this change might ultimately change some of the projects that are awarded tax credits, the change under the bill has no immediate and direct fiscal effect on the state or political subdivisions.

Provisions with little or no fiscal effect

The bill contains various provisions with little, if any, direct fiscal effects. It provides that vehicles owned by townships display the word "Township" on their license plates, similar to vehicles owned by cities or counties which have "City" or "County" license plates. The bill also eliminates a requirement that each township provide its fiscal officer with a book for the record of marks and brands used for livestock ownership identification. Additionally, the bill clarifies existing law that boards of township trustees' emergency powers include emergencies due to a natural disaster, civil unrest, or the derailment of a locomotive. Next, the bill eliminates the requirement that the county prosecutor approve specifications of fire equipment. In addition, the bill repeals provisions of law requiring townships, whenever the board of trustees wishes to build or improve a town hall at a cost that requires competitive bidding, to submit the question to the electors. Finally, the bill adds an OHIO811 nonvoting advisory member to the Underground Technical Committee (UTC). This provision has no direct fiscal effect, as UTC members do not receive compensation nor reimbursement for expenses incurred in the discharge of their duties.