

Sub. H.B. 33  
As Passed by the Senate  
TAXCD42

\_\_\_\_\_ moved to amend as follows:

In line 206 of the title, after "5735.044," insert "5735.27," 1

In line 912, after "5735.044," insert "5735.27," 2

After line 114989, insert: 3

"**Sec. 5735.27.** (A) There is hereby created in the state 4  
treasury the gasoline excise tax fund. All investment earnings of 5  
the fund shall be credited to the fund. Revenue credited to the 6  
fund under section 5735.051 from the tax levied under section 7  
5735.05 of the Revised Code shall be distributed to municipal 8  
corporations, counties, and townships as provided in divisions 9  
(A)(1), (2), and (3) of this section. 10

(1) The amount distributed to each municipal corporation 11  
shall be that proportion of the amount to be distributed among 12  
municipal corporations that the number of motor vehicles 13  
registered within the municipal corporation bears to the total 14  
number of motor vehicles registered within all the municipal 15  
corporations of this state during the preceding motor vehicle 16  
registration year. When a new village is incorporated, the 17  
registrar of motor vehicles shall determine from the applications 18  
on file in the bureau of motor vehicles the number of motor 19

vehicles located within the territory comprising the village 20  
during the entire registration year in which the municipal 21  
corporation was incorporated. The registrar shall forthwith 22  
certify the number of motor vehicles so determined to the tax 23  
commissioner for use in distributing motor vehicle fuel tax funds 24  
to the village until the village is qualified to participate in 25  
the distribution of the funds pursuant to this division. The 26  
number of motor vehicle registrations shall be determined by the 27  
official records of the bureau of motor vehicles. The amount 28  
received by each municipal corporation shall be used to plan, 29  
construct, reconstruct, repave, widen, maintain, repair, clear, 30  
and clean public highways, roads, and streets; to maintain and 31  
repair bridges and viaducts; to purchase, erect, and maintain 32  
street and traffic signs and markers; to pay the costs apportioned 33  
to the municipal corporation under section 4907.47 of the Revised 34  
Code; to purchase, erect, and maintain traffic lights and signals; 35  
to pay the principal, interest, and charges on bonds and other 36  
obligations issued pursuant to Chapter 133. of the Revised Code or 37  
incurred pursuant to section 5531.09 of the Revised Code for the 38  
purpose of acquiring or constructing roads, highways, bridges, or 39  
viaducts or acquiring or making other highway improvements for 40  
which the municipal corporation may issue bonds; and to supplement 41  
revenue already available for these purposes. 42

(2) The amount distributed to counties shall be paid in equal 43  
proportions to the county treasurer of each county within the 44  
state and shall be used only for the purposes of planning, 45  
maintaining, and repairing the county system of public roads and 46  
highways within the county; the planning, construction, and repair 47  
of walks or paths along county roads in congested areas; the 48  
planning, construction, purchase, lease, and maintenance of 49  
suitable buildings for the housing and repair of county road 50

machinery, housing of supplies, and housing of personnel 51  
associated with the machinery and supplies; the payment of costs 52  
apportioned to the county under section 4907.47 of the Revised 53  
Code; the payment of principal, interest, and charges on bonds and 54  
other obligations issued pursuant to Chapter 133. of the Revised 55  
Code or incurred pursuant to section 5531.09 of the Revised Code 56  
for the purpose of acquiring or constructing roads, highways, 57  
bridges, or viaducts or acquiring or making other highway 58  
improvements for which the board of county commissioners may issue 59  
bonds under that chapter; and the purchase, installation, and 60  
maintenance of traffic signal lights. 61

(3)(a) The amounts described under divisions 62  
(A)(2)(a)(iii)(III) and (B)(2) of section 5735.051 of the Revised 63  
Code to be distributed among townships shall be divided in equal 64  
proportions among the townships. 65

(b) As used in division (A)(3)(b) of this section, the 66  
"formula amount" for any township is the amount that would be 67  
allocated to that township if fifty per cent of the total amount 68  
credited to townships pursuant to divisions (A)(2)(b)(iii), 69  
(C)(2), and (E)(2)(c) of section 5735.051 of the Revised Code were 70  
allocated among townships in the state proportionate to the number 71  
of centerline miles within the boundaries of the respective 72  
townships, as determined annually by the department of 73  
transportation, and the other fifty per cent of that amount were 74  
allocated among townships in the state proportionate to the number 75  
of motor vehicles registered within the respective townships, as 76  
determined annually by the records of the bureau of motor 77  
vehicles. The number of centerline miles within the boundaries of 78  
a township shall not include any centerline miles of township 79  
roads that have been placed on nonmaintained status by a board of 80  
township trustees pursuant to section 5571.20 of the Revised Code. 81

The portion of the revenue of the tax levied by section 82  
 5735.05 of the Revised Code that is described under divisions 83  
 (A)(3) and (B) of that section shall be partially allocated to 84  
 provide funding for townships. Each township shall receive the 85  
 greater of the following two calculations: 86

(i) The total statewide amount credited to townships under 87  
 divisions (A)(2)(b)(iii), (C)(2), and (E)(2)(c) of section 88  
 5735.051 of the Revised Code divided by the number of townships in 89  
 the state at the time of the calculation; 90

(ii) Seventy per cent of the formula amount for that 91  
 township. 92

(c) The total difference between the amount of money credited 93  
 to townships under divisions (A)(2)(b)(iii), (C)(2), and (E)(2)(c) 94  
 of section 5735.051 of the Revised Code and the total amount of 95  
 money required to make all the payments specified in division 96  
 (A)(3)(b) of this section shall be deducted, in accordance with 97  
 division (C)(3) of section 5735.051 of the Revised Code, from the 98  
 revenues resulting from the portion of the revenue described in 99  
 division (A)(3) of section 5735.05 of the Revised Code prior to 100  
 crediting portions of such revenues to counties, municipal 101  
 corporations, and the highway operating fund. 102

(d) All amounts credited pursuant to divisions (A)(3)(a) and 103  
 (b) of this section shall be paid to the county treasurer of each 104  
 county for the total amount payable to the townships within each 105  
 of the counties. The county treasurer shall pay to each township 106  
 within the county its proportional share of the funds, which shall 107  
 be expended by each township only for the purposes of planning, 108  
 constructing, maintaining, widening, and reconstructing the public 109  
 roads and highways within the township, paying principal, 110  
 interest, and charges on bonds and other obligations issued 111

pursuant to Chapter 133. or 505. of the Revised Code or incurred 112  
 pursuant to section 5531.09 of the Revised Code for the purpose of 113  
 acquiring or constructing roads, highways, bridges, or viaducts or 114  
 acquiring or making other highway improvements for which the board 115  
 of township trustees may issue bonds under those chapters, and 116  
 paying costs apportioned to the township under section 4907.47 of 117  
 the Revised Code. 118

No part of the funds designated for road and highway purposes 119  
 shall be used for any purpose except to pay in whole or part the 120  
 contract price of any such work done by contract, or to pay the 121  
 cost of labor in planning, constructing, widening, and 122  
 reconstructing such roads and highways, and the cost of materials 123  
 forming a part of the improvement; provided that the funds may be 124  
 used for the purchase of road machinery and equipment, the 125  
 planning, construction, purchase, and maintenance of suitable 126  
 buildings for housing road machinery and equipment, and the 127  
 payment of principal, interest, and charges on bonds and other 128  
 obligations issued pursuant to Chapter 133. or 505. of the Revised 129  
 Code for the purpose of purchasing road machinery and equipment or 130  
 planning, constructing, purchasing, and maintaining suitable 131  
 buildings for housing road machinery and equipment; and provided 132  
 that all such improvement of roads shall be under supervision and 133  
 direction of the county engineer as provided in section 5575.07 of 134  
 the Revised Code. No obligation against the funds shall be 135  
 incurred unless plans and specifications for the improvement, 136  
 approved by the county engineer, are on file in the office of the 137  
 township fiscal officer, and all contracts for material and for 138  
 work done by contract shall be approved by the county engineer 139  
 before being signed by the board of township trustees. The board 140  
 of township trustees of any township may pass a resolution 141  
 permitting the board of county commissioners to expend the 142

township's share of the funds, or any portion of it, for the 143  
 improvement of the roads within the township as may be designated 144  
 in the resolution. 145

(B) Amounts credited to the highway operating fund under 146  
 section 5735.051 and other sections of the Revised Code are 147  
 subject to transfer to the sinking fund upon receipt by the 148  
 treasurer of state of the certification by the commissioners of 149  
 the sinking fund, as required by section 5528.15 of the Revised 150  
 Code, that there are sufficient moneys to the credit of the 151  
 highway improvement bond retirement fund to meet in full all 152  
 payments of principal, interest, and charges for the retirement of 153  
 bonds and other obligations issued pursuant to Section 2g of 154  
 Article VIII, Ohio Constitution, and sections 5528.10 and 5528.11 155  
 of the Revised Code due and payable during the current calendar 156  
 year. All remaining amounts credited to the highway operating fund 157  
 shall be expended for the purposes of planning, maintaining, 158  
 repairing, and keeping in passable condition for travel the roads 159  
 and highways of the state required by law to be maintained by the 160  
 department; paying the costs apportioned to the state under 161  
 section 4907.47 of the Revised Code; paying that portion of the 162  
 construction cost of a highway project which a county, township, 163  
 or municipal corporation normally would be required to pay, but 164  
 which the director of transportation, pursuant to division (B) of 165  
 section 5531.08 of the Revised Code, determines instead will be 166  
 paid from moneys in the highway operating fund; paying the costs 167  
 of the department of public safety in administering and enforcing 168  
 the state law relating to the registration and operation of motor 169  
 vehicles; paying the state's share of the cost of planning, 170  
 constructing, widening, maintaining, and reconstructing the state 171  
 highways; paying that portion of the construction cost of a 172  
 highway project which a county, township, or municipal corporation 173

normally would be required to pay, but which the director of 174  
transportation, pursuant to division (B) of section 5531.08 of the 175  
Revised Code, determines instead will be paid from moneys in the 176  
highway operating fund; and also for supplying the state's share 177  
of the cost of eliminating railway grade crossings upon such 178  
highways and costs apportioned to the state under section 4907.47 179  
of the Revised Code. The director of transportation may expend 180  
portions of such amount upon extensions of state highways within 181  
municipal corporations or upon portions of state highways within 182  
municipal corporations, as is provided by law. 183

All investment earnings of the highway operating fund shall 184  
be credited to the fund." 185

In line 124736, after "5735.044," insert "5735.27," 186

The motion was \_\_\_\_\_ agreed to.

SYNOPSIS

**Motor fuel tax revenue use** 187

**R.C. 5735.27** 188

Reinstates a provision added by the House, but removed by the 189  
Senate, that authorizes townships to use motor fuel tax revenue to 190  
purchase buildings suitable for housing road machinery and 191  
equipment. Townships are currently authorized to use such revenue 192  
only for planning, constructing, and maintaining such buildings. 193