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Sub. H. B. No. 129

Representative Thomas, D.

Cosponsors: Representatives Dean, Fischer, Gross, Hall, T., Johnson, Peterson, Williams, Workman, Craig, Creech, Daniels, Dovilla, Hiner, Mathews, A., Mathews, T., McClain, Miller, M., Newman, Plummer, Richardson, Roemer, Willis, Young

To amend sections 319.301, 323.32, 5705.01,	1
5705.03, 5705.194, and 5709.92 and to enact	2
sections 5705.195, 5705.196, and 5705.197 of the	3
Revised Code to generally include fixed-sum	4
levies in the calculation of a school district's	5
millage floor and to authorize, with	6
limitations, school district fixed-sum levies.	7

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

Section 1. That sections 319.301, 323.32, 5705.01,	8
5705.03, 5705.194, and 5709.92 be amended and sections 5705.195,	9
5705.196, and 5705.197 of the Revised Code be enacted to read as	10
follows:	11

Sec. 319.301. (A) The reductions required by division (D)	12
of this section do not apply to any of the following:	13

(1) Taxes levied at whatever rate is required to produce a	14
specified amount of tax money, including a tax levied under	15
section 5705.199 or 5748.09 of the Revised Code, or an amount to	16
pay debt charges;	17

(2) Taxes levied within the one per cent limitation	18
imposed by Section 2 of Article XII, Ohio Constitution;	19
(3) Taxes provided for by the charter of a municipal	20
corporation.	21
(B) As used in this section:	22
(1) "Real property" includes real property owned by a	23
railroad.	24
(2) "Carryover property" means all real property on the	25
current year's tax list except:	26
(a) Land and improvements that were not taxed by the	27
district in both the preceding year and the current year;	28
(b) Land and improvements that were not in the same class	29
in both the preceding year and the current year.	30
(3) "Effective tax rate" means with respect to each class	31
of property:	32
(a) The sum of the total taxes that would have been	33
charged and payable for current expenses against real property	34
in that class if each of the district's taxes were reduced for	35
the current year under division (D)(1) of this section without	36
regard to the application of division (E)(3) of this section	37
divided by	38
(b) The taxable value of all real property in that class.	39
(4) "Taxes charged and payable" means the taxes charged	40
and payable prior to any reduction required by section 319.302	41
of the Revised Code.	42
(C) The tax commissioner shall make the determinations	43
required by this section each year, without regard to whether a	44

taxing district has territory in a county to which section 45
5715.24 of the Revised Code applies for that year. Separate 46
determinations shall be made for each of the two classes 47
established pursuant to section 5713.041 of the Revised Code. 48

(D) With respect to each tax authorized to be levied by 49
each taxing district, the tax commissioner, annually, shall do 50
both of the following: 51

(1) Determine by what percentage, if any, the sums levied 52
by such tax against the carryover property in each class would 53
have to be reduced for the tax to levy the same number of 54
dollars against such property in that class in the current year 55
as were charged against such property by such tax in the 56
preceding year subsequent to the reduction made under this 57
section but before the reduction made under section 319.302 of 58
the Revised Code. In the case of a tax levied for the first time 59
that is not a renewal of an existing tax, the commissioner shall 60
determine by what percentage the sums that would otherwise be 61
levied by such tax against carryover property in each class 62
would have to be reduced to equal the amount that would have 63
been levied if the full rate thereof had been imposed against 64
the total taxable value of such property in the preceding tax 65
year. 66

(2) Certify each percentage determined in division (D) (1) 67
of this section, as adjusted under division (E) of this section, 68
and the class of property to which that percentage applies to 69
the auditor of each county in which the district has territory. 70
The auditor, after complying with section 319.30 of the Revised 71
Code, shall reduce the sum to be levied by such tax against each 72
parcel of real property in the district by the percentage so 73
certified for its class. Certification shall be made by the 74

first day of September except in the case of a tax levied for 75
the first time, in which case certification shall be made within 76
fifteen days of the date the county auditor submits the 77
information necessary to make the required determination. 78

(E) (1) As used in division (E) (2) of this section, "pre- 79
1982 joint vocational taxes" means, with respect to a class of 80
property, the difference between the following amounts: 81

(a) The taxes charged and payable in tax year 1981 against 82
the property in that class for the current expenses of the joint 83
vocational school district of which the school district is a 84
part after making all reductions under this section; 85

(b) Two-tenths of one per cent of the taxable value of all 86
real property in that class. 87

If the amount in division (E) (1) (b) of this section 88
exceeds the amount in division (E) (1) (a) of this section, the 89
pre-1982 joint vocational taxes shall be zero. 90

As used in divisions (E) (2) and (3) of this section, 91
"taxes charged and payable" has the same meaning as in division 92
(B) (4) of this section and excludes any tax charged and payable 93
~~in 1985 or thereafter from a tax levied under sections 5705.194-~~ 94
~~to 5705.197 or section 5705.194 or 5705.199, 5705.213, 5705.219,~~ 95
~~or 5748.09~~ of the Revised Code that is approved by electors at 96
an election held before January 1, 2026, until the first tax 97
year, starting in tax year 2026, that section 5715.24 applies in 98
a county that includes territory of the school district. 99

(2) If in the case of a school district other than a joint 100
vocational or cooperative education school district any 101
percentage required to be used in division (D) (2) of this 102
section for either class of property could cause the total taxes 103

charged and payable for current expenses to be less than two per 104
cent of the taxable value of all real property in that class 105
that is subject to taxation by the district, the commissioner 106
shall determine what percentages would cause the district's 107
total taxes charged and payable for current expenses against 108
that class, after all reductions that would otherwise be made 109
under this section, to equal, when combined with the pre-1982 110
joint vocational taxes against that class, the lesser of the 111
following: 112

(a) The sum of the rates at which those taxes are 113
authorized to be levied; 114

(b) Two per cent of the taxable value of the property in 115
that class. The auditor shall use such percentages in making the 116
reduction required by this section for that class. 117

(3) If in the case of a joint vocational school district 118
any percentage required to be used in division (D) (2) of this 119
section for either class of property could cause the total taxes 120
charged and payable for current expenses for that class to be 121
less than two-tenths of one per cent of the taxable value of 122
that class, the commissioner shall determine what percentages 123
would cause the district's total taxes charged and payable for 124
current expenses for that class, after all reductions that would 125
otherwise be made under this section, to equal that amount. The 126
auditor shall use such percentages in making the reductions 127
required by this section for that class. 128

(4) If a school district is affected by division (E) (2) or 129
(3) of this section for either class of property, and additional 130
current expense taxes are levied or are included in the 131
definition of taxes charged and payable, then, for the first tax 132
year those taxes are levied or included, the reduction computed 133

under division (D) of this section for that district shall be 134
computed as though the sums of current expenses taxes levied for 135
the district and charged against that class in the preceding tax 136
year were equivalent to two per cent or two-tenths of one per 137
cent, respectively, of the taxable value of all real property in 138
that class. 139

(F) No reduction shall be made under this section in the 140
rate at which any tax is levied. 141

(G) The commissioner may order a county auditor to furnish 142
any information the commissioner needs to make the 143
determinations required under division (D) or (E) of this 144
section, and the auditor shall supply the information in the 145
form and by the date specified in the order. If the auditor 146
fails to comply with an order issued under this division, except 147
for good cause as determined by the commissioner, the 148
commissioner shall withhold from such county or taxing district 149
therein fifty per cent of state revenues to local governments 150
pursuant to section 5747.50 of the Revised Code or shall direct 151
the department of education and workforce to withhold therefrom 152
fifty per cent of state revenues to school districts pursuant to 153
Chapter 3317. of the Revised Code. The commissioner shall 154
withhold the distribution of such revenues until the county 155
auditor has complied with this division, and the department 156
shall withhold the distribution of such revenues until the 157
commissioner has notified the department that the county auditor 158
has complied with this division. 159

(H) If the commissioner is unable to certify a tax 160
reduction factor for either class of property in a taxing 161
district located in more than one county by the last day of 162
November because information required under division (G) of this 163

section is unavailable, the commissioner may compute and certify 164
an estimated tax reduction factor for that district for that 165
class. The estimated factor shall be based upon an estimate of 166
the unavailable information. Upon receipt of the actual 167
information for a taxing district that received an estimated tax 168
reduction factor, the commissioner shall compute the actual tax 169
reduction factor and use that factor to compute the taxes that 170
should have been charged and payable against each parcel of 171
property for the year for which the estimated reduction factor 172
was used. The amount by which the estimated factor resulted in 173
an overpayment or underpayment in taxes on any parcel shall be 174
added to or subtracted from the amount due on that parcel in the 175
ensuing tax year. 176

A percentage or a tax reduction factor determined or 177
computed by the commissioner under this section shall be used 178
solely for the purpose of reducing the sums to be levied by the 179
tax to which it applies for the year for which it was determined 180
or computed. It shall not be used in making any tax computations 181
for any ensuing tax year. 182

(I) In making the determinations under division (D) (1) of 183
this section, the tax commissioner shall take account of changes 184
in the taxable value of carryover property resulting from 185
complaints filed under section 5715.19 of the Revised Code for 186
determinations made for the tax year in which such changes are 187
reported to the commissioner. Such changes shall be reported to 188
the commissioner on the first abstract of real property filed 189
with the commissioner under section 5715.23 of the Revised Code 190
following the date on which the complaint is finally determined 191
by the board of revision or by a court or other authority with 192
jurisdiction on appeal. The tax commissioner shall account for 193
such changes in making the determinations only for the tax year 194

in which the change in valuation is reported. Such a valuation 195
change shall not be used to recompute the percentages determined 196
under division (D) (1) of this section for any prior tax year. 197

Sec. 323.32. As used in this section, "railroad note" 198
means a note issued pursuant to a court order in the 199
reorganization of a railroad company under section 77 of the 200
Bankruptcy Act. 201

Notwithstanding any other provision of law to the 202
contrary, with respect to all payments received in settlement of 203
claims arising from delinquent property tax charges and ordered 204
to be paid by a railroad company under a plan of reorganization 205
as ordered by a federal district court in accordance with 206
provisions of Chapter VIII of the "Federal Bankruptcy Act," 11 207
U.S.C.A. 201-208, the following provisions shall apply: 208

(A) Except as provided in division (H) of this section, 209
all of such payments shall be made payable, and delivered, to 210
the county in which the taxing district sharing in a claim for 211
delinquent taxes is located. Any notes included in such payment 212
shall be issued to such county treasurer, who shall be the 213
custodian of all of said notes, and who shall be liable therefor 214
upon the treasurer's bond until such time as said notes mature, 215
are sold, or otherwise lawfully pass from the treasurer's 216
custody. 217

(B) Upon receipt of a payment by cash or check, the county 218
treasurer shall immediately cause such funds to be paid into the 219
county treasury and credited to a special fund established for 220
this purpose, which shall be known as the "undivided bankruptcy 221
claims fund." All of such moneys so received, including any 222
earned interest, shall be credited to said fund. 223

(C) When the total claim for each county has been 224
satisfied by the receipt of cash or notes, or both, the county 225
auditor shall remit from the tax list and duplicate of real and 226
public utility property in each county, all charges appearing 227
thereon in the name of the railroad company for which such 228
payment has been made, which are delinquent and unpaid from any 229
year previous to the tax year 1977. 230

(D) At any time that funds are present in the undivided 231
bankruptcy claims fund, either upon initial settlement or at any 232
later time, the county auditor shall, forthwith, distribute by 233
auditors' warrant, such funds to the various taxing districts of 234
the county, in which the property taxes, from which the claim in 235
bankruptcy has derived, were originally charged. The funds so 236
distributed shall be apportioned among the various taxing 237
authorities within each taxing district in the same proportions 238
as the said taxes were originally levied, taking into account 239
the various rates of taxation levied for different purposes for 240
each year in which such taxes were charged and remained unpaid, 241
and any unpaid special assessments, including compound interest 242
thereon at the rate of six per cent per annum to January 1, 243
1978. 244

In making such distribution, the auditor shall, first, 245
deduct an amount equal to one per cent of the total amount to be 246
distributed, as fees for services of the county auditor and 247
treasurer in making collection and distribution of the claim in 248
bankruptcy. Such deduction shall be in lieu of all fees provided 249
for in sections 319.54 and 321.26 of the Revised Code. The 250
amount so deducted shall be credited to the general fund of the 251
county. 252

If any funds received pursuant to this section represent 253

taxes which, if collected, would have resulted from any ~~general-~~ 254
~~or emergency~~ levy which has since expired, such funds may be 255
credited to the general operating fund and expended as though 256
they are proceeds from a current levy, and if any of such funds 257
represent taxes from any current general bond retirement levy or 258
one which has since expired, said funds may be credited to the 259
current bond retirement fund and used to service any current 260
bond indebtedness, or may be credited to the general operating 261
fund of the district, if so designated by a majority of the 262
members of the taxing authority of the taxing district. 263

(E) Except as provided in division (H) of this section, 264
when, as a part of the settlement of a claim in bankruptcy of a 265
reorganized railroad company a county receives notes on behalf 266
of a taxing authority in partial payment of said claim, the 267
county treasurer shall, within a reasonable length of time, 268
notify the taxing authority of each taxing district sharing in 269
the claim that such notes are in the treasurer's custody. Within 270
sixty days of receipt of such notice, each taxing authority 271
shall decide by a resolution approved by a majority of its 272
members whether: 273

(1) The notes shall remain in custody of the county 274
treasurer, as issued, and allowed to mature according to the 275
terms presented on their face with the proceeds to be 276
distributed upon maturity pursuant to division (D) of this 277
section; or 278

(2) The railroad notes shall be exchanged for several new 279
notes in denominations equal to the proportionate share, or 280
portion thereof, of the taxing district having a share in the 281
claim in bankruptcy as determined in division (D) of this 282
section. The new notes shall be distributed, upon receipt, to 283

each taxing authority in full satisfaction of its claim or in 284
full satisfaction of the portion of its claim represented by the 285
notes so received. If notes cannot be issued in denominations 286
equal to the taxing district's proportionate share, the 287
treasurer shall certify to the taxing authority of the district 288
the amount of notes held by the treasurer on behalf of the 289
district and for which notes cannot be issued pursuant to the 290
taxing authority's decision under this subdivision. Upon receipt 291
of such certification, the taxing authority may borrow money and 292
issue notes against such certification in the same manner as is 293
provided by division (F) of this section. 294

If a taxing authority elects the option provided under 295
division (E)(1) of this section, it may at any subsequent time 296
elect instead the option provided under division (E)(2) of this 297
section by resolution approved by a majority of its members. The 298
election of the option provided under division (E)(2) of this 299
section becomes final upon receipt by the taxing authority of 300
the new notes or certification distributed by the county 301
treasurer under such division. 302

Each taxing authority shall certify a copy of any 303
resolution adopted under this division to the county treasurer 304
who shall take appropriate action as directed by each taxing 305
authority. 306

(F) A taxing authority having possession of any railroad 307
note or a treasurer's certification issued under division (E)(2) 308
of this section may, by approval of a majority of its members, 309
borrow money and issue its note in anticipation of the revenue 310
payable on maturity of the railroad note and pledge the railroad 311
note or the proceeds thereof. Such anticipation note shall 312
mature no later than the railroad note and shall be in an amount 313

no greater than seventy per cent of the face amount of said 314
railroad note. By like action a taxing authority may sell any 315
railroad note in its possession at public or private offering 316
for not less than the prevailing market price. Such a sale or 317
borrowing shall be exempt from all other requirements and 318
limitations of the Revised Code, including the requirements of 319
the Uniform Bond Law. 320

(1) If a taxing authority desires to issue delinquent tax 321
bonds pursuant to section 131.23 of the Revised Code prior to 322
either receipt of any payment from a railroad in bankruptcy or 323
utilization of the authority granted in this section, the taxing 324
authority may determine whether or not the net amount of 325
delinquent taxes unpledged for purposes of division (B) (5) of 326
section 131.23 of the Revised Code shall include all or part of 327
the delinquent taxes owed by a railroad, or, if notes have been 328
received pursuant to this section, the unpaid principal amount 329
of such notes. If the taxing authority determines that any such 330
railroad delinquencies or note amount shall be included under 331
section 131.23 of the Revised Code, the amount which may be 332
borrowed pursuant to this section may not exceed seventy per 333
cent of the total face amount of railroad notes remaining after 334
deducting the amount so included. 335

(2) If a taxing authority desires to issue delinquent tax 336
bonds pursuant to section 131.23 of the Revised Code after 337
utilization of the authority granted in this section, the net 338
amount of delinquent taxes unpledged for purposes of division 339
(B) (5) of section 131.23 of the Revised Code may not include the 340
principal amount of railroad notes which have been borrowed 341
against or sold pursuant to this section. 342

(G) When a taxing authority receives a railroad note, the 343

face amount of such note shall not be considered as revenue for 344
any purpose in the year in which the note is received. Upon sale 345
or maturity of the note, any proceeds not pledged pursuant to 346
division (F) of this section shall be considered as 347
unanticipated revenue from a new source and all of the 348
provisions of law pertaining to such revenue, including section 349
5705.36 of the Revised Code, shall apply. 350

(H) When there are present in a county nonrepresented 351
taxing districts as provided in amended substitute house bill 352
336 of the 112th general assembly, all of the provisions of this 353
section shall apply to such districts, except as follows: 354

(1) Payments by cash or check may be made payable, and 355
delivered, directly to the treasurer of the taxing district. Any 356
notes included in the settlement of the district's claim may be 357
issued, and delivered, directly to said treasurer. 358

Upon receipt of any of such payments, the treasurer of the 359
taxing district shall certify, to the county treasurer of the 360
county in which the district is located, the fact of such 361
receipt and the amounts so received. 362

(2) If the claim of a nonrepresented taxing district is 363
not paid directly to the treasurer of the district but is 364
included with payments for the remainder of the county, cash 365
payments included in the initial settlement shall be distributed 366
as provided in divisions (B) and (D) of this section. Any notes 367
received as payment shall be exchanged and distributed to 368
nonrepresented taxing districts upon receipt. 369

Sec. 5705.01. As used in this chapter: 370

(A) "Subdivision" means any county; municipal corporation; 371
township; township police district; joint police district; 372

township fire district; joint fire district; joint ambulance 373
district; joint emergency medical services district; fire and 374
ambulance district; joint recreation district; township waste 375
disposal district; township road district; community college 376
district; technical college district; detention facility 377
district; a district organized under section 2151.65 of the 378
Revised Code; a combined district organized under sections 379
2152.41 and 2151.65 of the Revised Code; a joint-county alcohol, 380
drug addiction, and mental health service district; a drainage 381
improvement district created under section 6131.52 of the 382
Revised Code; a lake facilities authority created under Chapter 383
353. of the Revised Code; a union cemetery district; a county 384
school financing district; a city, local, exempted village, 385
cooperative education, joint vocational school district; a 386
regional student education district created under section 387
3313.83 of the Revised Code; or a career-technical cooperative 388
education district created under section 3313.831 of the Revised 389
Code. 390

(B) "Municipal corporation" means all municipal 391
corporations, including those that have adopted a charter under 392
Article XVIII, Ohio Constitution. 393

(C) "Taxing authority" or "bond issuing authority" means 394
any of the following: 395

(1) In the case of any county, the board of county 396
commissioners; in the case of a municipal corporation, the 397
council or other legislative authority of the municipal 398
corporation; in the case of a city, local, exempted village, 399
cooperative education, or joint vocational school district, the 400
board of education; in the case of a community college district, 401
the board of trustees of the district; in the case of a 402

technical college district, the board of trustees of the 403
district; in the case of a detention facility district, a 404
district organized under section 2151.65 of the Revised Code, or 405
a combined district organized under sections 2152.41 and 2151.65 406
of the Revised Code, the joint board of county commissioners of 407
the district; in the case of a township, the board of township 408
trustees; in the case of a joint police district, the joint 409
police district board; in the case of a joint fire district, the 410
board of fire district trustees; in the case of a joint 411
recreation district, the joint recreation district board of 412
trustees; in the case of a joint-county alcohol, drug addiction, 413
and mental health service district, the district's board of 414
alcohol, drug addiction, and mental health services; in the case 415
of a joint ambulance district or a fire and ambulance district, 416
the board of trustees of the district; in the case of a union 417
cemetery district, the legislative authority of the municipal 418
corporation and the board of township trustees, acting jointly 419
as described in section 759.341 of the Revised Code; in the case 420
of a drainage improvement district, the board of county 421
commissioners of the county in which the drainage district is 422
located; in the case of a lake facilities authority, the board 423
of directors; in the case of a joint emergency medical services 424
district, the joint board of county commissioners of all 425
counties in which all or any part of the district lies; and in 426
the case of a township police district, a township fire 427
district, a township road district, or a township waste disposal 428
district, the board of township trustees of the township in 429
which the district is located. 430

(2) The educational service center governing board that 431
serves as the taxing authority of a county school financing 432
district as provided in section 3311.50 of the Revised Code, the 433

board of directors of a regional student education district 434
created under section 3313.83 of the Revised Code, and the board 435
of directors of a career-technical cooperative education 436
district created under section 3313.831 of the Revised Code. 437

(3) The governing body responsible for levying a tax for 438
any taxing unit for which a taxing authority is not defined 439
pursuant to division (C) (1) or (2) of this section. 440

(D) "Fiscal officer" in the case of a county, means the 441
county auditor; in the case of a municipal corporation, the city 442
auditor or village clerk, or an officer who, by virtue of the 443
charter, has the duties and functions of the city auditor or 444
village clerk, except that in the case of a municipal university 445
the board of directors of which have assumed, in the manner 446
provided by law, the custody and control of the funds of the 447
university, the chief accounting officer of the university shall 448
perform, with respect to the funds, the duties vested in the 449
fiscal officer of the subdivision by sections 5705.41 and 450
5705.44 of the Revised Code; in the case of a school district, 451
the treasurer of the board of education; in the case of a county 452
school financing district, the treasurer of the educational 453
service center governing board that serves as the taxing 454
authority; in the case of a township, the township fiscal 455
officer; in the case of a joint police district, the treasurer 456
of the district; in the case of a joint fire district, the clerk 457
of the board of fire district trustees; in the case of a joint 458
ambulance district, the clerk of the board of trustees of the 459
district; in the case of a joint emergency medical services 460
district, the person appointed as fiscal officer pursuant to 461
division (D) of section 307.053 of the Revised Code; in the case 462
of a fire and ambulance district, the person appointed as fiscal 463
officer pursuant to division (B) of section 505.375 of the 464

Revised Code; in the case of a joint recreation district, the 465
person designated pursuant to section 755.15 of the Revised 466
Code; in the case of a union cemetery district, the clerk of the 467
municipal corporation designated in section 759.34 of the 468
Revised Code; in the case of a children's home district, 469
educational service center, general health district, joint- 470
county alcohol, drug addiction, and mental health service 471
district, county library district, detention facility district, 472
district organized under section 2151.65 of the Revised Code, a 473
combined district organized under sections 2152.41 and 2151.65 474
of the Revised Code, or a metropolitan park district for which 475
no treasurer has been appointed pursuant to section 1545.07 of 476
the Revised Code, the county auditor of the county designated by 477
law to act as the auditor of the district; in the case of a 478
metropolitan park district which has appointed a treasurer 479
pursuant to section 1545.07 of the Revised Code, that treasurer; 480
in the case of a drainage improvement district, the auditor of 481
the county in which the drainage improvement district is 482
located; in the case of a lake facilities authority, the fiscal 483
officer designated under section 353.02 of the Revised Code; in 484
the case of a regional student education district, the fiscal 485
officer appointed pursuant to section 3313.83 of the Revised 486
Code; in the case of a career-technical cooperative education 487
district, the fiscal officer appointed pursuant to section 488
3313.831 of the Revised Code; and in all other cases, the 489
officer responsible for keeping the appropriation accounts and 490
drawing warrants for the expenditure of the moneys of the 491
district or taxing unit. 492

(E) "Permanent improvement" or "improvement" means any 493
property, asset, or improvement with an estimated life or 494
usefulness of five years or more, including land and interests 495

therein, and reconstructions, enlargements, and extensions 496
thereof having an estimated life or usefulness of five years or 497
more. 498

(F) "Current operating expenses" and "current expenses" 499
mean the lawful expenditures of a subdivision, except those for 500
permanent improvements, and except payments for interest, 501
sinking fund, and retirement of bonds, notes, and certificates 502
of indebtedness of the subdivision. 503

(G) "Debt charges" means interest, sinking fund, and 504
retirement charges on bonds, notes, or certificates of 505
indebtedness. 506

(H) "Taxing unit" means any subdivision or other 507
governmental district having authority to levy taxes on the 508
property in the district or issue bonds that constitute a charge 509
against the property of the district, including conservancy 510
districts, metropolitan park districts, sanitary districts, road 511
districts, and other districts. 512

(I) "District authority" means any board of directors, 513
trustees, commissioners, or other officers controlling a 514
district institution or activity that derives its income or 515
funds from two or more subdivisions, such as the educational 516
service center, the trustees of district children's homes, the 517
district board of health, a joint-county alcohol, drug 518
addiction, and mental health service district's board of 519
alcohol, drug addiction, and mental health services, detention 520
facility districts, a joint recreation district board of 521
trustees, districts organized under section 2151.65 of the 522
Revised Code, combined districts organized under sections 523
2152.41 and 2151.65 of the Revised Code, and other such boards. 524

(J) "Tax list" and "tax duplicate" mean the general tax 525
lists and duplicates prescribed by sections 319.28 and 319.29 of 526
the Revised Code. 527

(K) "Property" as applied to a tax levy means taxable 528
property listed on general tax lists and duplicates. 529

(L) "Association library district" means a territory, the 530
boundaries of which are defined by the state library board 531
pursuant to division (I) of section 3375.01 of the Revised Code, 532
in which a library association or private corporation maintains 533
a free public library. 534

(M) "Library district" means a territory, the boundaries 535
of which are defined by the state library board pursuant to 536
section 3375.01 of the Revised Code, in which the board of 537
trustees of a county, municipal corporation, school district, or 538
township public library maintains a free public library. 539

(N) "Qualifying library levy" means either of the 540
following: 541

(1) A levy for the support of a library association or 542
private corporation that has an association library district 543
with boundaries that are not identical to those of a 544
subdivision; 545

(2) A levy proposed under section 5705.23 of the Revised 546
Code for the support of the board of trustees of a public 547
library that has a library district with boundaries that are not 548
identical to those of a subdivision. 549

(O) "School library district" means a school district in 550
which a free public library has been established that is under 551
the control and management of a board of library trustees as 552
provided in section 3375.15 of the Revised Code. 553

(P) "The county auditor's market value" means the true 554
value in money of real property. 555

(Q) (1) "Effective rate" means one of the following: 556

(a) For a levy that is the renewal of an existing levy or 557
an existing levy extended to additional territory, the effective 558
tax rate of the levy on class one property, as most recently 559
determined by the county auditor under section 323.08 of the 560
Revised Code; 561

(b) For a levy that is the increase of an existing levy, 562
the effective tax rate of the portion of the levy equal to the 563
rate of the existing levy on class one property, as most 564
recently determined by the county auditor under section 323.08 565
of the Revised Code, plus the rate of the additional portion of 566
the levy; 567

(c) For a levy that is the decrease of an existing levy, 568
the effective tax rate of the levy on class one property, as 569
most recently determined by the county auditor under section 570
323.08 of the Revised Code, and as proportionately reduced to 571
account for the decrease pursuant to rules adopted by the tax 572
commissioner. 573

(2) As used in division (Q) (1) of this section: 574

(a) "Effective tax rate" has the same meaning in section 575
323.08 of the Revised Code. 576

(b) "Class one property" means real property classified as 577
residential or agricultural under section 5713.041 of the 578
Revised Code. 579

(R) "Qualifying subdivision" means a taxing unit, created 580
by one or more member authorities, with a taxing authority or 581

any other governing authority the majority of the members of 582
which are not required to be elected local officials. 583

(S) "Elected local official" means a member of a board of 584
township trustees, a board of county commissioners, a 585
legislative authority of a municipal corporation, a board of 586
education of a city, local, or exempted village school district, 587
or an educational service center governing board, or any other 588
township, county, or municipal official serving in an elected 589
office. 590

(T) "Member authority" means the board of commissioners of 591
a county, the board of trustees of a township, the legislative 592
authority of a municipal corporation, the board of education of 593
a city, local, or exempted village school district, or the 594
educational service center governing board that either created 595
or joined a qualifying subdivision and remains a member thereof 596
or has territory therein. 597

(U) "Disaster declaration" means a declaration issued by 598
the president of the United States or the governor that an 599
emergency exists. 600

(V) "Disaster period" means the period that begins on a 601
date on which a disaster declaration is issued through the date 602
that is two years following the day that the disaster 603
declaration expires or is rescinded. 604

Sec. 5705.03. (A) The taxing authority of each subdivision 605
may levy taxes annually, subject to the limitations of sections 606
5705.01 to 5705.47 of the Revised Code, on the real and personal 607
property within the subdivision for the purpose of paying the 608
current operating expenses of the subdivision and acquiring or 609
constructing permanent improvements. The taxing authority of 610

each subdivision and taxing unit shall, subject to the 611
limitations of such sections, levy such taxes annually as are 612
necessary to pay the interest and sinking fund on and retire at 613
maturity the bonds, notes, and certificates of indebtedness of 614
such subdivision and taxing unit, including levies in 615
anticipation of which the subdivision or taxing unit has 616
incurred indebtedness. 617

(B) (1) When a taxing authority determines that it is 618
necessary to levy a tax outside the ten-mill limitation for any 619
purpose authorized by the Revised Code, the taxing authority 620
shall certify to the county auditor a resolution or ordinance 621
requesting that the county auditor certify to the taxing 622
authority the amounts described in division ~~(B) (2)~~ (B) (2) (a) of 623
this section. The resolution or ordinance shall state all of the 624
following: 625

(a) The proposed rate of the tax, expressed in mills for 626
each one dollar of taxable value, or the dollar amount of 627
revenue to be generated by the proposed tax; 628

(b) The purpose of the tax; 629

(c) Whether the tax is an additional levy, a renewal of an 630
existing tax, a renewal of an existing tax with an increase or a 631
decrease, a reduction or decrease of an existing tax, or an 632
extension of an existing tax to additional territory; 633

(d) The section of the Revised Code authorizing submission 634
of the question of the tax; 635

(e) The term of years of the tax or if the tax is for a 636
continuing period of time; 637

(f) That the tax is to be levied upon the entire territory 638
of the subdivision or, if authorized by the Revised Code, a 639

description of the portion of the territory of the subdivision 640
in which the tax is to be levied; 641

(g) The date of the election at which the question of the 642
tax shall appear on the ballot; 643

(h) That the ballot measure shall be submitted to the 644
entire territory of the subdivision or, if authorized by the 645
Revised Code, a description of the portion of the territory of 646
the subdivision to which the ballot measure shall be submitted; 647

(i) The tax year in which the tax will first be levied and 648
the calendar year in which the tax will first be collected; 649

(j) Each such county in which the subdivision has 650
territory. 651

The board of education of a city, local, or exempted 652
village school district may also designate, in a resolution 653
adopted under division (B) (1) of this section, an amount of the 654
district's carry-over balance from the proceeding fiscal year, 655
based on the most recent certification made by the district 656
under section 5705.36 of the Revised Code, as reserved for 657
expenditure on current or future permanent improvements within 658
the following three years. 659

~~(2)~~ (2) (a) Upon receipt of a resolution or ordinance 660
certified under division (B) (1) of this section, the county 661
auditor shall certify to the taxing authority each of the 662
following, as applicable to that levy: 663

~~(a)~~ (i) The total current tax valuation of the subdivision. 664

~~(b)~~ (ii) The number of mills for each one dollar of taxable 665
value that is required to generate a specified amount of 666
revenue. 667

~~(e)~~(iii) Either of the following: 668

~~(i)~~(I) If the levy is to renew, renew and increase, renew 669
and decrease, reduce or decrease, or extend to additional 670
territory an existing levy that is subject to reduction under 671
section 319.301 of the Revised Code, the levy's effective rate, 672
expressed in dollars, rounded to the nearest dollar, for each 673
one hundred thousand dollars of the county auditor's market 674
value; 675

~~(ii)~~(II) For all other levies, the levy's rate, described 676
in division ~~(B) (2) (b)~~(B) (2) (a) (ii) or ~~(d)~~(iv) of this section, 677
expressed in dollars, rounded to the nearest dollar, for each 678
one hundred thousand dollars of the county auditor's market 679
value. 680

~~(d)~~(iv) The dollar amount of revenue, rounded to the 681
nearest dollar, that would be generated by a specified number of 682
mills for each one dollar of taxable value. 683

~~(e)~~(v) For any levy or portion of a levy except a levy or 684
portion of a levy to pay debt charges, an estimate of the levy's 685
annual collections, rounded to the nearest dollar, which shall 686
be calculated assuming that the amount of the tax list of the 687
taxing authority remains throughout the life of the levy the 688
same as the amount of the tax list most recently certified by 689
the auditor under division (A) of section 319.28 of the Revised 690
Code. 691

~~(f)~~(vi) If the purpose of the tax is for current expenses 692
or current operating expenses and the resolution is certified by 693
a city, local, or exempted village school district, the amount 694
by which the carry-over balance in the district's general 695
operating budget from the preceding fiscal year exceeds the 696

district's general fund expenditures made in the preceding 697
fiscal year, expressed both in dollars and as a percentage of 698
those expenditures. This amount and percentage shall be 699
determined on the basis of the most recent certification made by 700
the district to the county budget commission under section 701
5705.36 of the Revised Code. The auditor shall exclude any 702
amount designated under division (B)(1) of this section for 703
current or future permanent improvements in determining the 704
district's carry-over balance for the purpose of this 705
computation. 706

If a subdivision is located in more than one county, the 707
county auditor shall obtain from the county auditor of each 708
other county in which the subdivision is located the current tax 709
valuation for the portion of the subdivision in that county. The 710
county auditor shall issue the certification to the taxing 711
authority within ten days after receiving the taxing authority's 712
resolution or ordinance requesting it. 713

(b) If a school district proposes to levy a tax under 714
section 5705.194 of the Revised Code on the basis that some or 715
all of the territory of district is covered by a disaster 716
declaration during the disaster period, the district shall 717
certify to the director of education and workforce the 718
resolution the district adopted under division (B)(1) of this 719
section and a copy of the applicable disaster declaration with a 720
request that the director approve the proposed tax. The director 721
shall certify to the district its approval or disapproval within 722
fifteen days after receiving the resolution. The director shall 723
only approve the tax if the director finds that a disaster 724
period exists for all or part of the district's territory on the 725
date the district adopted the resolution under division (B)(1) 726
of this section and the district has been impacted by the 727

emergency described in the disaster declaration. 728

(3) Upon receiving the certification from the county 729
auditor under division ~~(B) (2)~~ (B) (2) (a) of this section and, if 730
required, the certification from the director of education and 731
workforce under division (B) (2) (b) of this section, unless the 732
percentage certified under division ~~(B) (2) (f)~~ (B) (2) (a) (vi) of 733
this section is one hundred per cent or more, except in the case 734
of a renewal levy, the taxing authority may adopt a resolution 735
or ordinance stating the rate of the tax levy, expressed in 736
mills for each one dollar of taxable value and the rate or 737
effective rate, as applicable, in dollars for each one hundred 738
thousand dollars of the county auditor's market value, as 739
estimated by the county auditor, and that the taxing authority 740
will proceed with the submission of the question of the tax to 741
electors. The taxing authority shall certify this resolution or 742
ordinance, a copy of the county auditor's and director of 743
education and workforce's certifications, a copy of any 744
applicable disaster declaration, and the resolution or ordinance 745
the taxing authority adopted under division (B) (1) of this 746
section to the proper county board of elections in the manner 747
and within the time prescribed by the section of the Revised 748
Code governing submission of the question. The county board of 749
elections shall not submit the question of the tax to electors 750
unless a copy of ~~the county auditor's certification those~~ 751
certifications and, if applicable, disaster declaration 752
accompanies the resolutions or ordinances the taxing authority 753
certifies to the board. Before requesting a taxing authority to 754
submit a tax levy, any agency or authority authorized to make 755
that request shall first request the certification from the 756
county auditor provided under this section. 757

(4) This division is supplemental to, and not in 758

derogation of, any similar requirement governing the 759
certification by the county auditor of the tax valuation of a 760
subdivision or necessary tax rates for the purposes of the 761
submission of the question of a tax in excess of the ten-mill 762
limitation, including section 133.18 of the Revised Code. 763

(C) All taxes levied on property shall be extended on the 764
tax list and duplicate by the county auditor of the county in 765
which the property is located, and shall be collected by the 766
county treasurer of such county in the same manner and under the 767
same laws and rules as are prescribed for the assessment and 768
collection of county taxes. The proceeds of any tax levied by or 769
for any subdivision when received by its fiscal officer shall be 770
deposited in its treasury to the credit of the appropriate fund. 771

Sec. 5705.194. (A) As used in this section: 772

(1) "Fiscal caution" means a state of fiscal caution 773
declared by the director of education and workforce under 774
section 3316.031 of the Revised Code. 775

(2) "Fiscal watch" means a state of fiscal watch declared 776
by the auditor of state under section 3316.03 of the Revised 777
Code. 778

(3) "Fiscal emergency" means a state of fiscal emergency 779
declared by the auditor of state under section 3316.03 of the 780
Revised Code. 781

(B) The board of education of any city, local, exempted 782
village, cooperative education, or joint vocational school 783
district at any time before the effective date of this amendment 784
that is in fiscal caution, fiscal watch, or fiscal emergency or 785
is impacted by an emergency that is the subject of a disaster 786
declaration may declare by resolution that the revenue that will 787

be raised by all tax levies which the district is authorized to 788
impose, when combined with state and federal revenues, will be 789
insufficient to provide for the ~~emergency~~ requirements of the 790
school district ~~or to avoid an operating deficit~~, and that it is 791
therefore necessary to levy an additional tax in excess of the 792
ten-mill limitation for the current expenses of the district. 793
~~The resolution shall be confined to a single purpose and shall~~ 794
~~specify that purpose. If the levy is proposed~~ A tax levied under 795
division (B) of this section may not be renewed. 796

(C) The board of education of any city, local, exempted 797
village, cooperative education, or joint vocational school 798
district that levies a tax under this section that was approved 799
by electors at an election held before January 1, 2026, may 800
adopt a resolution to renew all or a portion of the proceeds 801
derived from one or more ~~existing levies imposed pursuant to~~ 802
~~this section, it shall be called a renewal levy and shall be so~~ 803
~~designated on the ballot~~ of those existing taxes. If two or more 804
of those existing levies taxes are to be included in a single 805
renewal ~~levy tax~~ but are not scheduled to expire in the same 806
year, the resolution shall specify that the existing levies to 807
be renewed shall not be levied after the year preceding the year 808
in which the renewal levy is first imposed. Notwithstanding the 809
original purpose of any one or more existing levies that are to 810
be in any single renewal levy, the purpose of the renewal levy 811
~~may shall be either to avoid an operating deficit or to provide~~ 812
~~for the emergency requirements of the school district~~ for the 813
current expenses of the district. A tax levied under division 814
(C) of this section may not be renewed. 815

A tax levied under division (C) of this section is a 816
qualifying levy, as defined in section 319.302 of the Revised 817
Code, if it otherwise meets the requirements of a subsequent 818

renewal levy described in that definition.

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~~The~~ (D) A resolution adopted under division (B) or (C) of
this section shall further specify the amount of money it is
necessary to raise for the ~~specified purpose~~ current expenses of
the district for each calendar year the millage is to be
imposed; if a ~~renewal levy~~ resolution adopted under division (C)
of this section, whether the levy is to renew all, or a portion
of, the proceeds derived from one or more existing levies; and
the number of years in which the millage is to be in effect,
which may include a levy upon the current year's tax list. The
number of years may be any number not exceeding ~~ten~~ five.

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The question shall be submitted at a special election on a
date specified in the resolution. The date shall not be earlier
than eighty days after the adoption and certification of the
resolution to the county auditor and shall be consistent with
the requirements of section 3501.01 of the Revised Code. A
~~resolution for a renewal levy adopted under division (C) of this~~
section shall not be placed on the ballot unless the question is
submitted on a date on which a special election may be held
under division (D) of section 3501.01 of the Revised Code,
except for the first Tuesday after the first Monday in August,
during the last year the levy to be renewed may be extended on
the real and public utility property tax list and duplicate, or
at any election held in the ensuing year, except that if the
resolution proposes renewing two or more existing levies, the
question shall be submitted on the date of the general or
primary election held during the last year at least one of the
levies to be renewed may be extended on that list and duplicate,
or at any election held during the ensuing year. For purposes of
this section and ~~section~~ sections 5705.197 and 5705.199 of the
Revised Code, a levy shall be considered to be an "existing

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levy" through the year following the last year it can be placed 850
on the real and public utility property tax list and duplicate. 851

The submission of questions to the electors under this 852
section is subject to the limitation on the number of election 853
dates established by section 5705.214 of the Revised Code. 854

The resolution shall go into immediate effect upon its 855
passage, and no publication of the resolution shall be necessary 856
other than that provided for in the notice of election. A copy 857
of the resolution shall immediately after its passing be 858
certified to the county auditor of the proper county. Section 859
5705.195 of the Revised Code shall govern the arrangements for 860
the submission of questions to the electors under this section 861
and other matters concerning the election. Publication of notice 862
of the election shall be made in one newspaper of general 863
circulation in the county once a week for two consecutive weeks, 864
or as provided in section 7.16 of the Revised Code, prior to the 865
election. If the board of elections operates and maintains a web 866
site, the board of elections shall post notice of the election 867
on its web site for thirty days prior to the election. If a 868
majority of the electors voting on the question submitted in an 869
election vote in favor of the levy, the board of education of 870
the school district may make the additional levy necessary to 871
raise the amount specified in the resolution for the purpose 872
stated in the resolution. The tax levy shall be included in the 873
next tax budget that is certified to the county budget 874
commission. 875

After the approval of the levy and prior to the time when 876
the first tax collection from the levy can be made, the board of 877
education may anticipate a fraction of the proceeds of the levy 878
and issue anticipation notes in an amount not exceeding the 879

total estimated proceeds of the levy to be collected during the 880
first year of the levy. 881

The notes shall be issued as provided in section 133.24 of 882
the Revised Code, shall have principal payments during each year 883
after the year of their issuance over a period not to exceed 884
five years, and may have principal payment in the year of their 885
issuance. 886

Sec. 5705.195. Within ten days after a resolution adopted 887
under division (B) or (C) of section 5705.194 of the Revised 888
Code is certified to the county auditor as provided by that 889
section, the auditor shall calculate and certify to the taxing 890
authority the annual levy, expressed in dollars for each one 891
hundred thousand dollars of the county auditor's appraised value 892
as well as in mills for each one dollar of taxable value, 893
throughout the life of the levy which will be required to 894
produce the annual amount set forth in the resolution assuming 895
that the amount of the tax list of such subdivision remains 896
throughout the life of the levy the same as the amount of the 897
tax list most recently certified by the county auditor under 898
division (A) of section 319.28 of the Revised Code. 899

Upon receiving the certification from the county auditor, 900
if the taxing authority desires to proceed with the submission 901
of the question it shall, not less than ninety days before the 902
day of such election, certify its resolution, together with the 903
amount of the average tax levy, expressed in dollars for each 904
one hundred thousand dollars of the county auditor's appraised 905
value as well as in mills for each one dollar of taxable value, 906
as certified by the county auditor, and the number of years the 907
levy is to run to the board of elections of the county which 908
shall prepare the ballots and make other necessary arrangements 909

for the submission of the question to the voters of the 910
subdivision. 911

Sec. 5705.196. The election provided for in section 912
5705.194 of the Revised Code shall be held at the regular places 913
for voting in the district and shall be conducted, canvassed, 914
and certified in the same manner as regular elections in the 915
district for the election of county officers, provided that in 916
any such election in which only part of the electors of a 917
precinct are qualified to vote, the board of elections may 918
assign voters in such part to an adjoining precinct. Such an 919
assignment may be made to an adjoining precinct in another 920
county with the consent and approval of the board of elections 921
of such other county. Notice of the election shall be published 922
in one newspaper of general circulation in the district once a 923
week for two consecutive weeks or as provided in section 7.16 of 924
the Revised Code, prior to the election. If the board of 925
elections operates and maintains a web site, the board of 926
elections shall post notice of the election on its web site for 927
thirty days prior to the election. Such notice shall state the 928
annual proceeds of the proposed levy, the purpose for which such 929
proceeds are to be used, the number of years during which the 930
levy shall run, and the estimated average additional tax rate 931
expressed in dollars for each one hundred thousand dollars of 932
the county auditor's appraised value as well as in mills for 933
each one dollar of taxable value, outside the limitation imposed 934
by Ohio Constitution, Article XII, Section 2, as certified by 935
the county auditor. 936

Sec. 5705.197. (A) The form of the ballot to be used at 937
the election provided for in section 5705.195 of the Revised 938
Code shall be as follows: 939

"Shall a fixed-sum levy be imposed by the _____ 940
(here insert name of school district) for the purpose of paying _____ 941
the current operating expenses of the district in the sum of _____ 942
\$ _____ (here insert annual amount the levy is to produce) _____ 943
and a levy of taxes to be made outside of the ten-mill _____ 944
limitation estimated by the county auditor to average _____ 945
mills for each \$1 of taxable value, which amounts to \$ _____ 946
for each \$100,000 of the county auditor's appraised value, for a _____ 947
period of _____ (here insert the number of years the _____ 948
millage is to be imposed) years? _____ 949
_____ 950

	<u>FOR THE TAX LEVY</u>	
	<u>AGAINST THE TAX LEVY</u>	" —

If the tax is to be placed on the current tax list, the _____ 951
form of the ballot shall be modified by adding, after "years," _____ 952
the phrase ", commencing in _____ (first year the tax is to _____ 953
be levied), first due in calendar year _____ (first _____ 954
calendar year in which the tax shall be due).". _____ 955

If the levy submitted is a proposal to renew all or a _____ 956
portion of an existing levy adopted under division (C) of _____ 957
section 5705.194 of the Revised Code, the form of the ballot _____ 958
specified in this section must be changed by adding the _____ 959
following at the beginning of the form, after the first instance _____ 960
of the term "levy": _____ 961

(A) "Renewing an existing levy" in the case of a proposal _____ 962
to renew an existing levy in the same amount; _____ 963

(B) "Renewing \$ _____ and providing an increase of _____ 964
\$ _____ " in the case of an increase; _____ 965

(C) "Renewing part of an existing levy, being a reduction 966
of \$ _____ " in the case of a renewal of only part of an existing 967
levy. 968

If the levy submitted is a proposal to renew all or a 969
portion of more than one existing levy, the form of the ballot 970
may be changed in any of the manners provided in division (A), 971
(B), or (C) of this section, or any combination of those 972
manners, as appropriate, so long as the form of the ballot 973
reflects the number of levies to be renewed, whether the amount 974
of any of the levies will be increased or decreased, the amount 975
of any such increase or decrease for each levy, and that none of 976
the existing levies to be renewed will be levied after the year 977
preceding the year in which the renewal levy is first imposed. 978
The form of the ballot shall be changed by adding the following 979
statement after "for a period of _____ years?" and before "For 980
the Tax Levy" and "Against the Tax Levy": 981

"If approved, any remaining tax years on any of the above 982
_____ (here insert the number of existing levies) existing 983
levies will not be collected after _____ (here insert the 984
current tax year or, if not the current tax year, the applicable 985
tax year)." 986

Sec. 5709.92. (A) As used in this section: 987

(1) "School district" means a city, local, or exempted 988
village school district. 989

(2) "Joint vocational school district" means a joint 990
vocational school district created under section 3311.16 of the 991
Revised Code, and includes a cooperative education school 992
district created under section 3311.52 or 3311.521 of the 993
Revised Code and a county school financing district created 994

under section 3311.50 of the Revised Code. 995

(3) "Total resources" means the sum of the amounts 996
described in divisions (A) (3) (a) to (g) of this section less any 997
reduction required under division (C) (3) (a) of this section. 998

(a) The state education aid for fiscal year 2015; 999

(b) The sum of the payments received in fiscal year 2015 1000
for current expense levy losses under division (C) (3) of section 1001
5727.85 and division (C) (12) of section 5751.21 of the Revised 1002
Code, as they existed at that time, excluding the portion of 1003
such payments attributable to levies for joint vocational school 1004
district purposes; 1005

(c) The sum of fixed-sum levy loss payments received by 1006
the school district in fiscal year 2015 under division (F) (1) of 1007
section 5727.85 and division (E) (1) of section 5751.21 of the 1008
Revised Code, as they existed at that time, for fixed-sum levies 1009
charged and payable for a purpose other than paying debt 1010
charges; 1011

(d) The district's taxes charged and payable against all 1012
property on the tax list of real and public utility property for 1013
current expense purposes for tax year 2014, including taxes 1014
charged and payable from ~~emergency~~ levies charged and payable 1015
under section 5705.194 of the Revised Code, excluding taxes 1016
levied for joint vocational school district purposes or levied 1017
under section 5705.23 of the Revised Code; 1018

(e) The amount certified for fiscal year 2015 under 1019
division (A) (2) of section 3317.08 of the Revised Code; 1020

(f) Distributions received during calendar year 2014 from 1021
taxes levied under section 718.09 of the Revised Code; 1022

(g) Distributions received during fiscal year 2015 from 1023
the gross casino revenue county student fund. 1024

(4) (a) "State education aid" for a school district means 1025
the sum of state amounts computed for the district under 1026
sections 3317.022 and 3317.0212 of the Revised Code after any 1027
amounts are added or subtracted under Section 263.240 of Am. 1028
Sub. H.B. 59 of the 130th general assembly, entitled 1029
"TRANSITIONAL AID FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL 1030
DISTRICTS." 1031

(b) "State education aid" for a joint vocational district 1032
means the amount computed for the district under section 3317.16 1033
of the Revised Code after any amounts are added or subtracted 1034
under Section 263.250 of Am. Sub. H.B. 59 of the 130th general 1035
assembly, entitled "TRANSITIONAL AID FOR JOINT VOCATIONAL SCHOOL 1036
DISTRICTS." 1037

(5) "Taxes charged and payable" means taxes charged and 1038
payable after the reduction required by section 319.301 of the 1039
Revised Code but before the reductions required by sections 1040
319.302 and 323.152 of the Revised Code. 1041

(6) "Capacity quintile" means the capacity measure 1042
quintiles determined under division (B) of this section. 1043

(7) "Threshold per cent" means the following: 1044

(a) For a school district in the lowest capacity quintile, 1045
one per cent for fiscal year 2016 and two per cent for fiscal 1046
year 2017. 1047

(b) For a school district in the second lowest capacity 1048
quintile, one and one-fourth per cent for fiscal year 2016 and 1049
two and one-half per cent for fiscal year 2017. 1050

(c) For a school district in the third lowest capacity 1051
quintile, one and one-half per cent for fiscal year 2016 and 1052
three per cent for fiscal year 2017. 1053

(d) For a school district in the second highest capacity 1054
quintile, one and three-fourths per cent for fiscal year 2016 1055
and three and one-half per cent for fiscal year 2017. 1056

(e) For a school district in the highest capacity 1057
quintile, two per cent for fiscal year 2016 and four per cent 1058
for fiscal year 2017. 1059

(f) For a joint vocational school district, two per cent 1060
for fiscal year 2016 and four per cent for fiscal year 2017. 1061

(8) "Current expense allocation" means the sum of the 1062
payments received by a school district or joint vocational 1063
school district in fiscal year 2015 for current expense levy 1064
losses under division (C) (3) of section 5727.85 and division (C) 1065
(12) of section 5751.21 of the Revised Code as they existed at 1066
that time, less any reduction required under division (C) (3) (b) 1067
of this section. 1068

(9) "Non-current expense allocation" means the sum of the 1069
payments received by a school district or joint vocational 1070
school district in fiscal year 2015 for levy losses under 1071
division (C) (3) (c) of section 5727.85 and division (C) (12) (c) of 1072
section 5751.21 of the Revised Code, as they existed at that 1073
time, and levy losses in fiscal year 2015 under division (H) of 1074
section 5727.84 of the Revised Code as that section existed at 1075
that time attributable to levies for and payments received for 1076
losses on levies intended to generate money for maintenance of 1077
classroom facilities. 1078

(10) "Operating TPP fixed-sum levy losses" means the sum 1079

of payments received by a school district in fiscal year 2015 1080
for levy losses under division (E) of section 5751.21 of the 1081
Revised Code, excluding levy losses for debt purposes. 1082

(11) "Operating S.B. 3 fixed-sum levy losses" means the 1083
sum of payments received by the school district in fiscal year 1084
2015 for levy losses under division (H) of section 5727.84 of 1085
the Revised Code, excluding levy losses for debt purposes. 1086

(12) "TPP fixed-sum debt levy losses" means the sum of 1087
payments received by a school district in fiscal year 2015 for 1088
levy losses under division (E) of section 5751.21 of the Revised 1089
Code for debt purposes. 1090

(13) "S.B. 3 fixed-sum debt levy losses" means the sum of 1091
payments received by the school district in fiscal year 2015 for 1092
levy losses under division (H) of section 5727.84 of the Revised 1093
Code for debt purposes. 1094

(14) "Qualifying levies" means qualifying levies described 1095
in section 5751.20 of the Revised Code as that section was in 1096
effect before July 1, 2015. 1097

(15) "Total taxable value" has the same meaning as in 1098
section 3317.02 of the Revised Code. 1099

(B) The department of education and workforce shall rank 1100
all school districts in the order of districts' capacity 1101
measures determined under former section 3317.018 of the Revised 1102
Code from lowest to highest, and divide such ranking into 1103
quintiles, with the first quintile containing the twenty per 1104
cent of school districts having the lowest capacity measure and 1105
the fifth quintile containing the twenty per cent of school 1106
districts having the highest capacity measure. This calculation 1107
and ranking shall be performed once, in fiscal year 2016. 1108

(C) (1) In fiscal year 2016, payments shall be made to 1109
school districts and joint vocational school districts equal to 1110
the sum of the amounts described in divisions (C) (1) (a) or (b) 1111
and (C) (1) (c) of this section. In fiscal year 2017, payments 1112
shall be made to school districts and joint vocational school 1113
districts equal to the amount described in division (C) (1) (a) or 1114
(b) of this section. 1115

(a) If the ratio of the current expense allocation to 1116
total resources is equal to or less than the district's 1117
threshold percent, zero; 1118

(b) If the ratio of the current expense allocation to 1119
total resources is greater than the district's threshold per 1120
cent, the difference between the current expense allocation and 1121
the product of the threshold percentage and total resources; 1122

(c) For fiscal year 2016, the product of the non-current 1123
expense allocation multiplied by fifty per cent. 1124

(2) In fiscal year 2018 and subsequent fiscal years, 1125
payments shall be made to school districts and joint vocational 1126
school districts equal to the difference obtained by subtracting 1127
the amount described in division (C) (2) (b) of this section from 1128
the amount described in division (C) (2) (a) of this section, 1129
provided that such amount is greater than zero. 1130

(a) The sum of the payments received by the district under 1131
division (C) (1) (b) or (C) (2) of this section for the immediately 1132
preceding fiscal year; 1133

(b) One-sixteenth of one per cent of the average of the 1134
total taxable value of the district for tax years 2014, 2015, 1135
and 2016. 1136

(3) (a) "Total resources" used to compute payments under 1137

division (C) (1) of this section shall be reduced to the extent 1138
that payments distributed in fiscal year 2015 were attributable 1139
to levies no longer charged and payable for tax year 2014. 1140

(b) "Current expense allocation" used to compute payments 1141
under division (C) (1) of this section shall be reduced to the 1142
extent that the payments distributed in fiscal year 2015 were 1143
attributable to levies no longer charged and payable for tax 1144
year 2014. 1145

(4) The department of education and workforce shall report 1146
to each school district and joint vocational school district the 1147
apportionment of the payments under division (C) (1) of this 1148
section among the district's funds based on qualifying levies. 1149

(D) (1) Payments in the following amounts shall be made to 1150
school districts and joint vocational school districts in tax 1151
years 2016 through 2021: 1152

(a) In tax year 2016, the sum of the district's operating 1153
TPP fixed-sum levy losses and operating S.B. 3 fixed-sum levy 1154
losses. 1155

(b) In tax year 2017, the sum of the district's operating 1156
TPP fixed-sum levy losses and eighty per cent of operating S.B. 1157
3 fixed-sum levy losses. 1158

(c) In tax year 2018, the sum of eighty per cent of the 1159
district's operating TPP fixed-sum levy losses and sixty per 1160
cent of its operating S.B. 3 fixed-sum levy losses. 1161

(d) In tax year 2019, the sum of sixty per cent of the 1162
district's operating TPP fixed-sum levy losses and forty per 1163
cent of its operating S.B. 3 fixed-sum levy losses. 1164

(e) In tax year 2020, the sum of forty per cent of the 1165

district's operating TPP fixed-sum levy losses and twenty per 1166
cent of its operating S.B. 3 fixed-sum levy losses. 1167

(f) In tax year 2021, twenty per cent of the district's 1168
operating TPP fixed-sum levy losses. 1169

No payment shall be made under division (D) (1) of this 1170
section after tax year 2021. 1171

(2) Amounts are payable under division (D) of this section 1172
for fixed-sum levy losses only to the extent of such losses for 1173
qualifying levies that remain in effect for the current tax 1174
year. For this purpose, a qualifying levy levied under section 1175
5705.194 or 5705.213 of the Revised Code remains in effect for 1176
the current tax year only if a tax levied under either of those 1177
sections is charged and payable for the current tax year for an 1178
annual sum at least equal to the annual sum levied by the board 1179
of education for tax year 2004 under those sections less the 1180
amount of the payment under this division. 1181

(E) (1) For fixed-sum levies for debt purposes, payments 1182
shall be made to school districts and joint vocational school 1183
districts equal to one hundred per cent of the district's fixed- 1184
sum levy loss determined under division (E) of section 5751.20 1185
and division (H) of section 5727.84 of the Revised Code as in 1186
effect before July 1, 2015, and paid in tax year 2014. No 1187
payment shall be made for qualifying levies that are no longer 1188
charged and payable. 1189

(2) Beginning in 2016, by the thirty-first day of January 1190
of each year, the tax commissioner shall review the calculation 1191
of fixed-sum levy loss for debt purposes determined under 1192
division (E) of section 5751.20 and division (H) of section 1193
5727.84 of the Revised Code as in effect before July 1, 2015. If 1194

the commissioner determines that a fixed-sum levy that had been 1195
scheduled to be reimbursed in the current year is no longer 1196
charged and payable, a revised calculation for that year and all 1197
subsequent years shall be made. 1198

(F) (1) For taxes levied within the ten-mill limitation for 1199
debt purposes in tax year 1998 in the case of electric company 1200
tax value losses, and in tax year 1999 in the case of natural 1201
gas company tax value losses, payments shall be made to school 1202
districts and joint vocational school districts equal to one 1203
hundred per cent of the loss computed under division (D) of 1204
section 5727.85 of the Revised Code as in effect before July 1, 1205
2015, as if the tax were a fixed-rate levy, but those payments 1206
shall extend through fiscal year 2016. 1207

(2) For taxes levied within the ten-mill limitation for 1208
debt purposes in tax year 2005, payments shall be made to school 1209
districts and joint vocational school districts equal to one 1210
hundred per cent of the loss computed under division (D) of 1211
section 5751.21 of the Revised Code as in effect before July 1, 1212
2015, as if the tax were a fixed-rate levy, but those payments 1213
shall extend through fiscal year 2018. 1214

(G) If all the territory of a school district or joint 1215
vocational school district is merged with another district, or 1216
if a part of the territory of a school district or joint 1217
vocational school district is transferred to an existing or 1218
newly created district, the department of education and 1219
workforce, in consultation with the tax commissioner, shall 1220
adjust the payments made under this section as follows: 1221

(1) For a merger of two or more districts, fixed-sum levy 1222
losses, total resources, current expense allocation, and non- 1223
current expense allocation of the successor district shall be 1224

the sum of such items for each of the districts involved in the 1225
merger. 1226

(2) If property is transferred from one district to a 1227
previously existing district, the amount of the total resources, 1228
current expense allocation, and non-current expense allocation 1229
that shall be transferred to the recipient district shall be an 1230
amount equal to the total resources, current expense allocation, 1231
and non-current expense allocation of the transferor district 1232
times a fraction, the numerator of which is the number of pupils 1233
being transferred to the recipient district, measured, in the 1234
case of a school district, by formula ADM as defined in section 1235
3317.02 of the Revised Code or, in the case of a joint vocational 1236
school district, by formula ADM as defined for a joint 1237
vocational school district in that section, and the denominator 1238
of which is the formula ADM of the transferor district. 1239

(3) After December 31, 2010, if property is transferred 1240
from one or more districts to a district that is newly created 1241
out of the transferred property, the newly created district 1242
shall be deemed not to have any total resources, current expense 1243
allocation, total allocation, or non-current expense allocation. 1244

(4) If the recipient district under division (G) (2) of 1245
this section or the newly created district under division (G) (3) 1246
of this section is assuming debt from one or more of the 1247
districts from which the property was transferred and any of the 1248
districts losing the property had fixed-sum levy losses, the 1249
department of education and workforce, in consultation with the 1250
tax commissioner, shall make an equitable division of the 1251
reimbursements for those losses. 1252

(H) The payments required by divisions (C), (D), (E), (F), 1253
and (I) of this section shall be distributed periodically to 1254

each school and joint vocational school district by the 1255
department of education and workforce unless otherwise provided 1256
for. Except as provided in division (D) of this section, if a 1257
levy that is a qualifying levy is not charged and payable in any 1258
year after 2014, payments to the school district or joint 1259
vocational school district shall be reduced to the extent that 1260
the payments distributed in fiscal year 2015 were attributable 1261
to the levy loss of that levy. 1262

(I) For fiscal years 2022 through 2026, if the total 1263
amount to be received under divisions (C) and (E) of this 1264
section by any school district that has a nuclear power plant 1265
located within its territory is less than the amount the 1266
district received under this section in fiscal year 2017, the 1267
district shall receive a supplemental payment equal to the 1268
difference between the amount to be received under those 1269
divisions for the fiscal year and the amount received under this 1270
section in fiscal year 2017. 1271

Section 2. That existing sections 319.301, 323.32, 1272
5705.01, 5705.03, 5705.194, and 5709.92 of the Revised Code are 1273
hereby repealed. 1274

Section 3. The amendment by this act of section 319.301 of 1275
the Revised Code applies to tax year 2026 and every tax year 1276
thereafter. 1277