As Introduced

136th General Assembly
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Representatives Click, Thomas, D.

Cosponsors: Representatives Newman, Willis, Gross, Workman, Hiner, Deeter

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To enact sections 5705.262 and 5705.263 of the Revised Code to allow electors to reduce unvoted property taxes by initiative and to name this act the Taxpayers Freedom Trilogy - Act Two: Arresting Inside Millage.

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

Section 1. That sections 5705.262 and 5705.263 of the Revised Code be enacted to read as follows:

Sec. 5705.262. (A)(1) The electors of a subdivision or other taxing unit may initiate the reduction of a rate of levy of the subdivision or other taxing unit within the ten-mill limitation by filing a petition with the board of elections of the county in which the subdivision or other taxing unit is located. If the subdivision or other taxing unit has territory in more than one county, the petition shall be filed with the board of elections of the county in which the most populous portion of the subdivision or other taxing unit is located.

(2) The petition shall be on a form prescribed by the secretary of state, shall state the amount of the proposed reduction of the rate of levy, shall include a written argument

in favor of the proposed reduction that does not exceed three hundred words, shall designate a committee of between three and five electors to represent the petitioners, and shall be signed by qualified electors of the subdivision or other taxing unit equal in number to at least fifteen per cent of the total number of votes cast in the subdivision or other taxing unit for the office of governor at the most recent general election for that office.

(3) Immediately upon the filing of the petition, the board shall notify the taxing authority. During the period beginning on the day the petition is filed with the board and ending on the day the board certifies the results of the election on the question of the reduction, neither the taxing authority nor the county budget commission may change the rate of the levy. If the petition is determined to be insufficient or invalid, the restriction described in this division ceases to apply to the taxing authority and county budget commission.

(4) If the board determines that the petition is sufficient and valid, the question shall be submitted to the electors of the subdivision or other taxing unit for their approval or rejection at the next general election held at least one hundred twenty days after the petition is filed with the board.

(B) The board of elections shall do both of the following at least ninety days before the day of the election at which a question is submitted to the electors under this section:

(1) Request that the county auditor certify to the board, in the same manner as required for a tax levy under section 5705.03 of the Revised Code, an estimate of the levy's annual collections and the levy's rate in both the last year before the

proposed reduction and the first year that the reduction applies, stated in dollars, rounded to the nearest dollar, for each one hundred thousand dollars of the county auditor's appraised value. If the subdivision or other taxing unit is located in more than one county, the county auditor shall obtain from the county auditor of each other county in which the subdivision or other taxing unit is located the tax valuation applicable to the portion of the subdivision or other taxing unit in that county. The county auditor shall certify that information to the board of elections within ten days after receiving the board's request.

(2) Request that the taxing authority of the affected subdivision or other taxing unit provide a written argument in opposition to the proposed reduction that does not exceed three hundred words. The taxing authority shall file the argument with the board of elections at least eighty days before the day of the election. If the taxing authority fails to prepare and file the argument by that date, the board of elections shall prepare the argument or shall designate a group of persons to prepare the argument and file it with the board not later than the seventy-fifth day before the day of the election.

(C)(1) The board of elections shall publish notice of the election in a newspaper of general circulation in the subdivision or other taxing unit once a week for two consecutive weeks before the election, or as provided in section 7.16 of the Revised Code. The board of elections of each county in which the subdivision or other taxing unit has territory, if it operates and maintains a web site, shall post notice of the election on its web site for thirty days before the election. The notice shall state the time and place of the election and shall include all of the following:

(a) The purpose of the levy proposed to be reduced;

(b) The levy's estimated annual collections;

(c) The amount of the proposed reduction in rate, expressed in mills for each one dollar of taxable value;

(d) The rate of the levy in the year before the proposed reduction and the first year that the reduction applies, both expressed in dollars for each one hundred thousand dollars of the county auditor's appraised value;

(e) The arguments filed in support of and in opposition to the reduction.

(2) The form of the ballot shall include all of the information described in divisions (C)(1)(a) to (e) of this section.

(D)(1) If the question is approved by a majority of the electors voting on it, both of the following apply:

(a) Except as otherwise provided in division (D)(2) of this section, beginning on the first day of January following the election, the taxing authority of the subdivision or other taxing unit shall levy the tax upon the tax list of the subdivision or other taxing unit at the reduced rate specified by the petition.

(b) The taxing authority may increase the rate of the levy only in accordance with section 5705.263 of the Revised Code.

(2) Notwithstanding any contrary provision of this section, if the proceeds of the levy are used to pay debt service, the taxing authority shall continue to levy and collect amounts sufficient to pay the principal of and interest on those debt charges as they fall due.

(E) Notwithstanding any other law to the contrary, a county budget commission shall not reallocate mills reduced pursuant to this section to any other subdivision or taxing unit, unless and until electors approve a question submitted under section 5705.263 of the Revised Code.

Sec. 5705.263. (A) The taxing authority of a subdivision or other taxing unit, with the affirmative vote of at least two-thirds of its members, may adopt a resolution proposing to increase the rate of a tax within the ten-mill limitation by not more than the extent to which that rate was reduced under section 5705.262 of the Revised Code. The resolution shall state the amount and purpose of the proposed increase and shall include a written argument in favor of the increase that does not exceed three hundred words. The resolution shall go into immediate effect upon its passage, and no publication of the resolution is necessary other than that provided for in the notice of election. The taxing authority shall certify the resolution to the board of elections of the county in which the subdivision or other taxing unit is located or, if the subdivision or other taxing unit has territory in more than one county, to the board of elections of the county in which the most populous portion of the subdivision or other taxing unit is located. If the board determines that the resolution is sufficient and valid, the question shall be submitted to the electors of the subdivision or other taxing unit for their approval or rejection at the next general election held at least ninety days after the taxing authority certifies the resolution to the board.

(B) Upon determining that the certification of the resolution is valid, the board shall do both of the following:

(1) Request that the county auditor certify to the board, in the same manner as required for a tax levy under section 5705.03 of the Revised Code, an estimate of the levy's annual collections and the levy's rate in both the last year before the proposed increase and the first year that the increase applies, stated in dollars, rounded to the nearest dollar, for each one hundred thousand dollars of the county auditor's appraised value. If the subdivision or other taxing unit is located in more than one county, the county auditor shall obtain from the county auditor of each other county in which the subdivision or other taxing unit is located the tax valuation applicable to the portion of the subdivision or other taxing unit in that county. The county auditor shall certify that information to the board of elections within ten days after receiving the board's request.

(2) Request that the committee representing the petitioners who most recently placed a rate reduction proposal on the ballot with respect to the levy that was approved by the electors under section 5705.262 of the Revised Code provide a written argument in opposition to the proposed increase that does not exceed three hundred words. The committee shall file the argument with the board of elections at least eighty days before the day of the election. If the committee fails to prepare and file the argument by that date, the board of elections shall prepare the argument or shall designate a group of persons to prepare the argument and file it with the board not later than the seventy-fifth day before the day of the election.

(C)(1) The board of elections shall publish notice of the election in a newspaper of general circulation in the subdivision or other taxing unit once a week for two consecutive weeks before the election, or as provided in section 7.16 of the Revised Code. The board of elections of each county in which the subdivision or other taxing unit has territory, if it operates and maintains a web site, shall post notice of the election on its web site for thirty days before the election. The notice shall state the time and place of the election and shall include all of the following:

(a) The purpose of the levy proposed to be increased;

(b) The levy's estimated annual collections;

(c) The amount of the proposed increase in rate, expressed in mills for each one dollar of taxable value;

(d) The rate of the levy in the year before the proposed increase and the first year that the increase applies, both expressed in dollars for each one hundred thousand dollars of the county auditor's appraised value;

(e) The arguments filed in support of and in opposition to the increase.

(2) The form of the ballot shall include all of the information described in divisions (C)(1)(a) to (e) of this section.

(D) If the question is approved by a majority of the electors voting on it, then beginning on the first day of January following the election, the taxing authority shall levy the tax at the increased rate and division (E) of section 5705.262 of the Revised Code no longer applies to that levy.

Section 2. This act shall be known as the Taxpayers Freedom Trilogy - Act Two: Arresting Inside Millage.