

**As Introduced**

**136th General Assembly  
Regular Session  
2025-2026**

**H. B. No. 838**

**Representative Williams**

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To amend sections 4117.10, 5747.50, 5747.502, 1  
5747.504, 5747.505, 5747.51, and 5747.53 and to 2  
enact sections 9.051, 5164.21, and 5747.506 of 3  
the Revised Code to prohibit coverage for gender 4  
reassignment surgery under Medicaid and state 5  
and local authority employee health insurance 6  
plans. 7

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

**Section 1.** That sections 4117.10, 5747.50, 5747.502, 8  
5747.504, 5747.505, 5747.51, and 5747.53 be amended and sections 9  
9.051, 5164.21, and 5747.506 of the Revised Code be enacted to 10  
read as follows: 11

**Sec. 9.051.** (A) As used in this section: 12

(1) "Local authority" has the same meaning as in section 13  
5747.502 of the Revised Code. 14

(2) "Policy, contract, or plan" means a policy, contract, 15  
or plan of one or more insurance companies, medical care 16  
corporations, health care corporations, health maintenance 17  
organizations, or other entities that provide health, medical, 18  
hospital, or surgical coverage, benefits, or services. "Policy, 19  
contract, or plan" includes a plan that is associated with a 20

self-insurance program and a policy, contract, or plan that 21  
implements a collective bargaining agreement. 22

(3) "Gender reassignment surgery" has the same meaning as 23  
in section 3129.01 of the Revised Code. 24

(B) On and after the effective date of this section, 25  
neither the state or a local authority shall provide a policy, 26  
contract, or plan to its elected or appointed officers or 27  
employees that includes coverage, benefits, or services for 28  
gender reassignment surgery. 29

(C) Annually, on or before the last day of April, each 30  
local authority shall certify to the attorney general whether it 31  
is in compliance with division (B) of this section. 32

(D) Annually, on or before the fifteenth day of June, the 33  
attorney general shall certify to the tax commissioner a list of 34  
each local authority that has certified its noncompliance, or 35  
failed to certify compliance, with division (B) of this section. 36

**Sec. 4117.10.** (A) An agreement between a public employer 37  
and an exclusive representative entered into pursuant to this 38  
chapter governs the wages, hours, and terms and conditions of 39  
public employment covered by the agreement. If the agreement 40  
provides for a final and binding arbitration of grievances, 41  
public employers, employees, and employee organizations are 42  
subject solely to that grievance procedure and the state 43  
personnel board of review or civil service commissions have no 44  
jurisdiction to receive and determine any appeals relating to 45  
matters that were the subject of a final and binding grievance 46  
procedure. Where no agreement exists or where an agreement makes 47  
no specification about a matter, the public employer and public 48  
employees are subject to all applicable state or local laws or 49

ordinances pertaining to the wages, hours, and terms and 50  
conditions of employment for public employees. All of the 51  
following prevail over conflicting provisions of agreements 52  
between employee organizations and public employers: 53

(1) Laws pertaining to any of the following subjects: 54

(a) Civil rights; 55

(b) Affirmative action; 56

(c) Unemployment compensation; 57

(d) Workers' compensation; 58

(e) The retirement of public employees; 59

(f) Residency requirements; 60

(g) The minimum educational requirements contained in the 61  
Revised Code pertaining to public education including the 62  
requirement of a certificate by the fiscal officer of a school 63  
district pursuant to section 5705.41 of the Revised Code; 64

(h) The provisions of division (A) of section 124.34 of 65  
the Revised Code governing the disciplining of officers and 66  
employees who have been convicted of a felony; 67

(i) The minimum standards promulgated by the director of 68  
education and workforce pursuant to division (D) of section 69  
3301.07 of the Revised Code. 70

(2) The law pertaining to the leave of absence and 71  
compensation provided under section 5923.05 of the Revised Code, 72  
if the terms of the agreement contain benefits which are less 73  
than those contained in that section or the agreement contains 74  
no such terms and the public authority is the state or any 75  
agency, authority, commission, or board of the state or if the 76

public authority is another entity listed in division (B) of 77  
section 4117.01 of the Revised Code that elects to provide leave 78  
of absence and compensation as provided in section 5923.05 of 79  
the Revised Code; 80

(3) The law pertaining to the leave established under 81  
section 5906.02 of the Revised Code, if the terms of the 82  
agreement contain benefits that are less than those contained in 83  
section 5906.02 of the Revised Code; 84

(4) The law pertaining to excess benefits prohibited under 85  
section 3345.311 of the Revised Code with respect to an 86  
agreement between an employee organization and a public employer 87  
entered into on or after September 29, 2015; 88

(5) ~~state~~ State employee work location policies with 89  
respect to an agreement between an employee organization and a 90  
public employer entered into on or after ~~the effective date of~~ 91  
~~this amendment~~ September 30, 2025; 92

(6) The law prohibiting coverage for gender reassignment 93  
surgery in health benefit plans for state and local authority 94  
employees under section 9.051 of the Revised Code with respect 95  
to an agreement between an employee organization and a public 96  
employer entered into on or after the effective date of this 97  
amendment. 98

Except for sections 306.08, 306.12, 306.35, and 4981.22 of 99  
the Revised Code and arrangements entered into thereunder, and 100  
section 4981.21 of the Revised Code as necessary to comply with 101  
section 13(c) of the "Urban Mass Transportation Act of 1964," 87 102  
Stat. 295, 49 U.S.C.A. 1609(c), as amended, and arrangements 103  
entered into thereunder, this chapter prevails over any and all 104  
other conflicting laws, resolutions, provisions, present or 105

future, except as otherwise specified in this chapter or as 106  
otherwise specified by the general assembly. Nothing in this 107  
section prohibits or shall be construed to invalidate the 108  
provisions of an agreement establishing supplemental workers' 109  
compensation or unemployment compensation benefits or exceeding 110  
minimum requirements contained in the Revised Code pertaining to 111  
public education or the minimum standards promulgated by the 112  
director of education and workforce pursuant to division (D) of 113  
section 3301.07 of the Revised Code. 114

(B) The public employer shall submit a request for funds 115  
necessary to implement an agreement and for approval of any 116  
other matter requiring the approval of the appropriate 117  
legislative body to the legislative body within fourteen days of 118  
the date on which the parties finalize the agreement, unless 119  
otherwise specified, but if the appropriate legislative body is 120  
not in session at the time, then within fourteen days after it 121  
convenes. The legislative body must approve or reject the 122  
submission as a whole, and the submission is deemed approved if 123  
the legislative body fails to act within thirty days after the 124  
public employer submits the agreement. The parties may specify 125  
that those provisions of the agreement not requiring action by a 126  
legislative body are effective and operative in accordance with 127  
the terms of the agreement, provided there has been compliance 128  
with division (C) of this section. If the legislative body 129  
rejects the submission of the public employer, either party may 130  
reopen all or part of the entire agreement. 131

As used in this section, "legislative body" includes the 132  
governing board of a municipal corporation, school district, 133  
college or university, village, township, or board of county 134  
commissioners or any other body that has authority to approve 135  
the budget of their public jurisdiction and, with regard to the 136

state, "legislative body" means the controlling board. 137

(C) The chief executive officer, or the chief executive 138  
officer's representative, of each municipal corporation, the 139  
designated representative of the board of education of each 140  
school district, college or university, or any other body that 141  
has authority to approve the budget of their public 142  
jurisdiction, the designated representative of the board of 143  
county commissioners and of each elected officeholder of the 144  
county whose employees are covered by the collective 145  
negotiations, and the designated representative of the village 146  
or the board of township trustees of each township is 147  
responsible for negotiations in the collective bargaining 148  
process; except that the legislative body may accept or reject a 149  
proposed collective bargaining agreement. When the matters about 150  
which there is agreement are reduced to writing and approved by 151  
the employee organization and the legislative body, the 152  
agreement is binding upon the legislative body, the employer, 153  
and the employee organization and employees covered by the 154  
agreement. 155

(D) There is hereby established an office of collective 156  
bargaining in the department of administrative services for the 157  
purpose of negotiating with and entering into written agreements 158  
between state agencies, departments, boards, and commissions and 159  
the exclusive representative on matters of wages, hours, terms 160  
and other conditions of employment and the continuation, 161  
modification, or deletion of an existing provision of a 162  
collective bargaining agreement. Nothing in any provision of law 163  
to the contrary shall be interpreted as excluding the bureau of 164  
workers' compensation and the industrial commission from the 165  
preceding sentence. This office shall not negotiate on behalf of 166  
other statewide elected officials or boards of trustees of state 167

institutions of higher education who shall be considered as 168  
separate public employers for the purposes of this chapter; 169  
however, the office may negotiate on behalf of these officials 170  
or trustees where authorized by the officials or trustees. The 171  
staff of the office of collective bargaining are in the 172  
unclassified service. The director of administrative services 173  
shall fix the compensation of the staff. 174

The office of collective bargaining shall: 175

(1) Assist the director in formulating management's 176  
philosophy for public collective bargaining as well as planning 177  
bargaining strategies; 178

(2) Conduct negotiations with the exclusive 179  
representatives of each employee organization; 180

(3) Coordinate the state's resources in all mediation, 181  
fact-finding, and arbitration cases as well as in all labor 182  
disputes; 183

(4) Conduct systematic reviews of collective bargaining 184  
agreements for the purpose of contract negotiations; 185

(5) Coordinate the systematic compilation of data by all 186  
agencies that is required for negotiating purposes; 187

(6) Prepare and submit an annual report and other reports 188  
as requested to the governor and the general assembly on the 189  
implementation of this chapter and its impact upon state 190  
government. 191

Sec. 5164.21. (A) As used in this section, "gender 192  
reassignment surgery" has the same meaning as in section 3129.01 193  
of the Revised Code. 194

(B) The medicaid program shall not cover gender 195

<u>reassignment surgery.</u>	196
<b>Sec. 5747.50.</b> (A) As used in this section:	197
(1) "County's proportionate share of the calendar year 2007 LGF and LGRAF distributions" means the percentage computed for the county under division (B) (1) (a) of section 5747.501 of the Revised Code.	198 199 200 201
(2) "County's proportionate share of the total amount of the local government fund additional revenue formula" means each county's proportionate share of the state's population as determined for and certified to the county for distributions to be made during the current calendar year under division (B) (2) (a) of section 5747.501 of the Revised Code. If prior to the first day of January of the current calendar year the federal government has issued a revision to the population figures reflected in the estimate produced pursuant to division (B) (2) (a) of section 5747.501 of the Revised Code, such revised population figures shall be used for making the distributions during the current calendar year.	202 203 204 205 206 207 208 209 210 211 212 213
(3) "2007 LGF and LGRAF county distribution base available in that month" means the lesser of the amounts described in division (A) (3) (a) and (b) of this section, provided that the amount shall not be less than zero:	214 215 216 217
(a) The total amount available for distribution to counties from the local government fund during the current month.	218 219 220
(b) The total amount distributed to counties from the local government fund and the local government revenue assistance fund to counties in calendar year 2007 less the total amount distributed to counties under division (B) (1) of this	221 222 223 224

section during previous months of the current calendar year.	225
(4) "Local government fund additional revenue distribution base available during that month" means the total amount available for distribution to counties during the month from the local government fund, less any amounts to be distributed in that month from the local government fund under division (B) (1) of this section, provided that the local government fund additional revenue distribution base available during that month shall not be less than zero.	226 227 228 229 230 231 232 233
(5) "Total amount available for distribution to counties" means the total amount available for distribution from the local government fund during the current month less the total amount available for distribution to municipal corporations during the current month under division (C) of this section.	234 235 236 237 238
(B) On or before the tenth day of each month, the tax commissioner shall provide for payment to each county an amount equal to the sum of:	239 240 241
(1) The county's proportionate share of the calendar year 2007 LGF and LGRAAF distributions multiplied by the 2007 LGF and LGRAAF county distribution base available in that month, provided that if the 2007 LGF and LGRAAF county distribution base available in that month is zero, no payment shall be made under division (B) (1) of this section for the month or the remainder of the calendar year; and	242 243 244 245 246 247 248
(2) The county's proportionate share of the total amount of the local government fund additional revenue formula multiplied by the local government fund additional revenue distribution base available during that month.	249 250 251 252
Money received into the treasury of a county under this	253

division shall be credited to the undivided local government 254  
fund in the treasury of the county on or before the fifteenth 255  
day of each month. On or before the twentieth day of each month, 256  
the county auditor shall issue warrants against all of the 257  
undivided local government fund in the county treasury in the 258  
respective amounts allowed as provided in section 5747.51 of the 259  
Revised Code, and the treasurer shall distribute and pay such 260  
sums to the subdivision therein. 261

(C) (1) As used in division (C) of this section: 262

(a) "Total amount available for distribution to 263  
municipalities during the current month" means the difference 264  
obtained by subtracting one million dollars from the product 265  
obtained by multiplying the total amount available for 266  
distribution from the local government fund during the current 267  
month by the aggregate municipal share. 268

(b) "Aggregate municipal share" means the quotient 269  
obtained by dividing the total amount distributed directly from 270  
the local government fund to municipal corporations during 271  
calendar year 2007 by the total distributions from the local 272  
government fund and local government revenue assistance fund 273  
during calendar year 2007. 274

(c) A municipal corporation's "distribution share" equals 275  
one of the following: 276

(i) For municipal corporations with a population of more 277  
than fifty thousand, fifty thousand; 278

(ii) For municipal corporations with a population of less 279  
than one thousand, zero; 280

(iii) For all other municipal corporations, the municipal 281  
corporation's population. 282

(d) A municipal corporation's "distribution percentage" 283  
equals the percentage that a municipal corporation's 284  
distribution share is of the total of all municipal 285  
corporations' distribution shares. 286

(2) On or before the tenth day of each month, the tax 287  
commissioner shall provide for payment from the local government 288  
fund to each municipal corporation an amount equal to the 289  
product derived by multiplying the municipal corporation's 290  
distribution percentage by the total amount available for 291  
distribution to municipal corporations during the current month. 292

(3) Payments received by a municipal corporation under 293  
this division shall be paid into its general fund and may be 294  
used for any lawful purpose. 295

(4) The amount distributed to municipal corporations under 296  
this division during any calendar year shall not exceed the 297  
amount distributed directly from the local government fund to 298  
municipal corporations during calendar year 2007. If that 299  
maximum amount is reached during any month, distributions to 300  
municipal corporations in that month shall be as provided in 301  
divisions (C) (1) and (2) of this section, but no further 302  
distributions shall be made to municipal corporations under 303  
division (C) of this section during the remainder of the 304  
calendar year. 305

(5) Upon being informed of a municipal corporation's 306  
dissolution, the tax commissioner shall cease providing for 307  
payments to that municipal corporation under division (C) of 308  
this section. The proportionate shares of the total amount 309  
available for distribution to each of the remaining municipal 310  
corporations under this division shall be increased on a pro 311  
rata basis. 312

The tax commissioner shall reduce payments under division 313  
(C) of this section to municipal corporations for which reduced 314  
payments are required under section 5747.502, 5747.504, or 315  
section 5747.506 of the Revised Code. 316

(D) Each municipal corporation which has in effect a tax 317  
imposed under Chapter 718. of the Revised Code shall, no later 318  
than the thirty-first day of August of each year, certify to the 319  
tax commissioner, on a form prescribed by the commissioner, the 320  
amount of income tax revenue collected and refunded by such 321  
municipal corporation pursuant to such chapter during the 322  
preceding calendar year, arranged, when possible, by the type of 323  
income from which the revenue was collected or the refund was 324  
issued. The municipal corporation shall also report the amount 325  
of income tax revenue collected and refunded on behalf of a 326  
joint economic development district or a joint economic 327  
development zone that levies an income tax administered by the 328  
municipal corporation and the amount of such revenue distributed 329  
to contracting parties during the preceding calendar year. The 330  
tax commissioner may withhold payment of local government fund 331  
moneys pursuant to division (C) of this section from any 332  
municipal corporation for failure to comply with this reporting 333  
requirement. 334

(E) (1) For the purposes of division (E) of this section: 335

(a) "Eligible taxing district" means a township, township 336  
fire district, or joint fire district for which the total 337  
taxable value of eligible power plants for tax year 2017 is at 338  
least thirty per cent less than the total taxable value of 339  
eligible power plants for tax year 2016. 340

(b) "Eligible power plant" means a power plant that is 341  
subject to the requirements of 10 C.F.R. part 73. 342

(c) "Total taxable value of eligible power plants" of an 343  
eligible taxing district means the total taxable value of the 344  
taxable property of eligible power plants apportioned to the 345  
district as shown in a preliminary assessment or amended 346  
preliminary assessment and listed on the tax list of real and 347  
public utility property. 348

(d) "Taxable property" has the same meaning as in section 349  
5727.01 of the Revised Code. 350

(e) "Tax rate" of an eligible taxing district means one of 351  
the following: 352

(i) For townships, the sum of the rates of levies imposed 353  
under section 505.39, 505.51, or division (I), (J), (U), or (JJ) 354  
of section 5705.19 of the Revised Code and extended on the tax 355  
list of real and public utility property for tax year 2017, 356  
excluding any levy imposed at whatever rate is required to raise 357  
a fixed sum of money; 358

(ii) For township fire districts and joint fire districts, 359  
the sum of the rates of levies extended on the tax list of real 360  
and public utility property for tax year 2017, excluding any 361  
levy imposed at whatever rate is required to raise a fixed sum 362  
of money. 363

(2) Each fiscal year from fiscal year 2018 through fiscal 364  
year 2028, the tax commissioner shall compute the following 365  
amount for each eligible taxing district: 366

(a) For fiscal years 2018 and 2019, the amount obtained by 367  
multiplying the eligible taxing district's tax rate by the 368  
difference obtained by subtracting (i) the total taxable value 369  
of eligible power plants of the district for tax year 2017 from 370  
(ii) the total taxable value of eligible power plants of the 371

district for tax year 2016; 372

(b) For fiscal years 2020 through 2028, ninety per cent of 373  
the amount calculated for the district under division (E) (2) (a) 374  
or (b) of this section for the preceding fiscal year. 375

The commissioner shall certify the sum of the amounts 376  
calculated for all eligible taxing districts under this division 377  
for a fiscal year to the director of budget and management who, 378  
on or before the seventh day of each month of that fiscal year, 379  
shall transfer from the general revenue fund to the local 380  
government fund one-twelfth of the amount certified. 381

(3) On or before the tenth day of each month, the tax 382  
commissioner shall provide for payment to each county treasury 383  
in which an eligible taxing district is located an amount equal 384  
to one-twelfth of the amount computed for the district for that 385  
fiscal year under division (E) (2) of this section. 386

Money received into the treasury of a county under 387  
division (E) of this section shall be credited to the undivided 388  
local government fund in the treasury of the county on or before 389  
the fifteenth day of each month. On or before the twentieth day 390  
of each month, the county auditor shall issue warrants against 391  
the undivided local government fund for the amounts attributable 392  
to each eligible taxing district, and the treasurer shall 393  
distribute and pay such amounts to each eligible taxing 394  
district. Money received by a township fire district or joint 395  
fire district under this division shall be credited to the 396  
district's general fund and may be used for any lawful purpose 397  
of the district. Money received by a township under this 398  
division shall be credited to the township's general fund and 399  
shall be used for the purpose of funding fire, police, emergency 400  
medical, or ambulance services. 401

<b>Sec. 5747.502.</b> (A) As used in this section:	402
(1) "Traffic law photo-monitoring device" has the same meaning as in section 4511.092 of the Revised Code.	403 404
(2) "School zone" has the same meaning as in section 4511.21 of the Revised Code.	405 406
(3) "Transportation district" means a territorial district established by the director of transportation under section 5501.14 of the Revised Code.	407 408 409
(4) "District deputy director" means the person appointed and assigned by the director of transportation under section 5501.14 of the Revised Code to administer the activities of a transportation district.	410 411 412 413
(5) "Gross amount" means the entire amount of traffic camera fines and fees paid by a driver.	414 415
(6) "Local government fund adjustment" or "LGF adjustment" means the sum of:	416 417
(a) The gross amount of all traffic camera fines collected by a local authority during the preceding fiscal year, as reported under division (B) (1) of this section, if such a report is required; plus	418 419 420 421
(b) The residual adjustment computed for the local authority under division (B) (4) of this section, if such an adjustment applies.	422 423 424
(7) "Local government fund payments" or "LGF payments" means the payments a local authority would receive under sections 5747.503, 5747.51, and 5747.53, and division (C) of section 5747.50 of the Revised Code, as applicable, if not for the reductions required by divisions (C) and (D) of this section	425 426 427 428 429

or section 5747.506 of the Revised Code. 430

(8) "Residual adjustment" means the most recent LGF 431  
adjustment computed for a local authority under division (B) (2) 432  
or (3) of this section minus the sum of the reductions applied 433  
after that computation under division (C) of this section to the 434  
local authority's LGF payments. 435

(9) "Traffic camera fines" means civil fines for any 436  
violation of any local ordinance or resolution that are based 437  
upon evidence recorded by a traffic law photo-monitoring device. 438

(10) "Qualifying village" has the same meaning as in 439  
section 5747.503 of the Revised Code. 440

(11) "Local authority" means a municipal corporation, 441  
county, or township. 442

(B) (1) Annually, on or before the thirty-first day of 443  
July, any local authority that directly or indirectly collected 444  
traffic camera fines during the preceding fiscal year shall file 445  
a report with the tax commissioner that includes a detailed 446  
statement of the gross amount of all traffic camera fines the 447  
local authority collected during that period and the gross 448  
amount of such fines that the local authority collected for 449  
violations that occurred within a school zone. 450

(2) Annually, on or before the tenth day of August, and 451  
except as otherwise provided in this division, the commissioner 452  
shall compute a local government fund adjustment for each local 453  
authority that files a report under division (B) (1) of this 454  
section or with respect to which a residual adjustment applies. 455  
Subject to division (B) (3) of this section and section 5747.505 456  
of the Revised Code, the LGF adjustment shall be used by the 457  
commissioner to determine the amount of the reductions required 458

under division (C) of this section for each of the next twelve months, starting with the month in which the LGF adjustment is computed. After those twelve months, the LGF adjustment ceases to apply and, if an LGF adjustment continues to be required, the amount of the reductions required under division (C) of this section shall be determined based on an updated LGF adjustment computed under this division.

~~After the effective date of this amendment~~September 30, 2025, no LGF adjustment shall be calculated for a county or township prohibited from operating a traffic law photo-monitoring device by section 4511.093 of the Revised Code. An LGF adjustment that applies to a county or township on ~~the effective date of this amendment~~September 30, 2025, ceases to apply as of that date.

(3) Upon receipt of a report described by division (B) (1) of this section that is not timely filed, the commissioner shall do both of the following:

(a) If one or more payments to the local authority has been withheld under division (D) of this section because of the local authority's failure to file the report, notify the county auditor and county treasurer of the appropriate county that the report has been received and that, subject to division (C) of this section, payments to the local authority from the undivided local government fund are to resume.

(b) Compute the local authority's LGF adjustment using the information in the report. An LGF adjustment computed under this division shall be used by the commissioner to determine the amount of the reductions required under division (C) of this section starting with the next required reduction. The LGF adjustment ceases to apply on the thirty-first day of the

ensuing July, following which, if an LGF adjustment continues to 489  
be required, the amount of the reductions required under 490  
division (C) of this section shall be determined based on an 491  
updated LGF adjustment computed under division (B) (2) of this 492  
section. 493

(4) Annually, on or before the tenth day of August, the 494  
commissioner shall compute a residual adjustment for each local 495  
authority whose LGF adjustment for the preceding year exceeds 496  
the amount by which the local authority's LGF payments were 497  
reduced during that year under division (C) of this section. The 498  
residual adjustment shall be used to compute the LGF adjustment 499  
for the ensuing year under division (B) (2) of this section. 500

(C) Subject to section 5747.505 of the Revised Code, the 501  
commissioner shall do the following, as applicable, respecting 502  
any local authority to which an LGF adjustment computed under 503  
division (B) of this section applies: 504

(1) If the local authority is a municipal corporation with 505  
a population of one thousand or more, reduce payments to the 506  
municipal corporation under division (C) of section 5747.50 of 507  
the Revised Code by one-twelfth of the LGF adjustment. If one- 508  
twelfth of the LGF adjustment exceeds the amount of money the 509  
municipal corporation would otherwise receive under division (C) 510  
of section 5747.50 of the Revised Code, the commissioner also 511  
shall reduce payments to the appropriate county undivided local 512  
government fund under division (B) of section 5747.50 of the 513  
Revised Code by an amount equal to the lesser of (a) one-twelfth 514  
of the excess, or (b) the amount of the payment the municipal 515  
corporation would otherwise receive from the fund under section 516  
5747.51 or 5747.53 of the Revised Code. 517

(2) If the local authority is a township or qualifying 518

village, reduce the supplemental payments to the appropriate 519  
county undivided local government fund under section 5747.503 of 520  
the Revised Code by the lesser of one-twelfth of the LGF 521  
adjustment, or the amount of money the township or qualifying 522  
village would otherwise receive under that section. If one- 523  
twelfth of the LGF adjustment exceeds the amount of money the 524  
township or qualifying village would otherwise receive under 525  
section 5747.503 of the Revised Code, the commissioner also 526  
shall reduce payments to the appropriate county undivided local 527  
government fund under division (B) of section 5747.50 of the 528  
Revised Code by an amount equal to the lesser of (a) one-twelfth 529  
of the excess, or (b) the amount of the payment the township or 530  
qualifying village would otherwise receive from the fund under 531  
section 5747.51 or 5747.53 of the Revised Code. 532

(3) If the local authority is a county, reduce payments to 533  
the appropriate county undivided local government fund under 534  
division (B) of section 5747.50 of the Revised Code by an amount 535  
equal to the lesser of (a) one-twelfth of the LGF adjustment, or 536  
(b) the amount of the payment the county would otherwise receive 537  
from the fund under section 5747.51 or 5747.53 of the Revised 538  
Code. 539

(4) For any local authority, on or before the tenth day of 540  
each month a reduction is made under division (C) (1), (2), or 541  
(3) of this section, make a payment to the local authority in an 542  
amount equal to the lesser of (a) one-twelfth of the gross 543  
amount of traffic camera fines the local authority collected in 544  
the preceding fiscal year for violations that occurred within a 545  
school zone, as indicated on the report filed by the local 546  
authority pursuant to division (B) (1) of this section, or (b) 547  
the amount by which the local authority's LGF payments were 548  
reduced that month pursuant to division (C) (1), (2), or (3) of 549

this section. Payments received by a local authority under this 550  
division shall be used by the local authority for school safety 551  
purposes. 552

(D) Subject to section 5747.505 of the Revised Code, upon 553  
discovery, based on information in the commissioner's 554  
possession, that a local authority required to file a report 555  
under division (B)(1) of this section has failed to do so, the 556  
commissioner shall do the following, as applicable: 557

(1) If the local authority is a municipal corporation with 558  
a population of one thousand or more, cease providing for 559  
payments to the municipal corporation under section 5747.50 of 560  
the Revised Code beginning with the next required payment and 561  
until such time as the report is received by the commissioner; 562

(2) If the local authority is a township or qualifying 563  
village, reduce the supplemental payments to the appropriate 564  
county undivided local government fund under section 5747.503 of 565  
the Revised Code by an amount equal to the amount of such 566  
payments the local authority would otherwise receive under that 567  
section, beginning with the next required payment and until such 568  
time as the report is received by the commissioner; 569

(3) For any local authority, reduce payments to the 570  
appropriate county undivided local government fund under 571  
division (B) of section 5747.50 of the Revised Code by an amount 572  
equal to the amount of such payments the local authority would 573  
otherwise receive under section 5747.51 or 5747.53 of the 574  
Revised Code, beginning with the next required payment and until 575  
such time as the report is received by the commissioner; 576

(4) For any local authority, notify the county auditor and 577  
county treasurer that such payments are to cease until the 578

commissioner notifies the auditor and treasurer under division 579  
(E) of this section that the payments are to resume. 580

(E) The commissioner shall notify the county auditor and 581  
county treasurer on or before the day the commissioner first 582  
reduces a county undivided local government fund payment to that 583  
county under division (C) of this section. The notice shall 584  
include the full amount of the reduction, a list of the local 585  
authorities to which the reduction applies, and the amount of 586  
reduction attributed to each such local authority. The 587  
commissioner shall send an updated notice to the county auditor 588  
and county treasurer any time the amount the reduction 589  
attributed to any local authority changes. 590

A county treasurer that receives a notice from the 591  
commissioner under this division or division (B) (3) (a) or (D) (4) 592  
of this section shall reduce, cease, or resume payments from the 593  
undivided local government fund to the local authority that is 594  
the subject of the notice as specified by the commissioner in 595  
the notice. Unless otherwise specified in the notice, the 596  
payments shall be reduced, ceased, or resumed beginning with the 597  
next required payment. 598

(F) (1) There is hereby created in the state treasury the 599  
Ohio highway and transportation safety fund. On or before the 600  
tenth day of each month, the commissioner shall deposit in the 601  
fund an amount equal to the total amount by which payments to 602  
local authorities were reduced or ceased under division (C) or 603  
(D) of this section minus the total amount of payments made 604  
under division (C) (4) of this section. Except as provided in 605  
division (F) (2) of this section, the amount deposited with 606  
respect to a local authority shall be credited to an account to 607  
be created in the fund for the transportation district in which 608

that local authority is located. If the local authority is 609  
located within more than one transportation district, the amount 610  
credited to the account of each such transportation district 611  
shall be prorated on the basis of the number of centerline miles 612  
of public roads and highways in both the local authority and the 613  
respective districts. Amounts credited to a transportation 614  
district's account shall be used by the department of 615  
transportation and the district deputy director exclusively to 616  
enhance public safety on public roads and highways within that 617  
transportation district. 618

(2) Notwithstanding division (F)(1) of this section, in 619  
fiscal year 2026, six million dollars of the amount in the Ohio 620  
highway and transportation safety fund, including any account 621  
thereof, shall be used for rail development infrastructure 622  
projects pursuant to an appropriation made by the general 623  
assembly. The amounts credited to each account of a 624  
transportation district pursuant to division (F)(1) of this 625  
section shall be reduced in the same proportion that the amount 626  
deposited in each account is of the total fund balance. 627

**Sec. 5747.504.** (A) As used in this section, "local 628  
government fund payments" means the payments a municipal 629  
corporation or county would receive under sections 5747.503, 630  
5747.51, and 5747.53, and division (C) of section 5747.50 of the 631  
Revised Code, as applicable, if not for the reductions required 632  
by this section ~~or section 5747.502 of the Revised Code.~~ 633

(B) Beginning with the month following receipt of a notice 634  
from the secretary of state pursuant to division (B) of section 635  
3505.011 or 3513.141 of the Revised Code, the tax commissioner 636  
shall do the following, as applicable: 637

(1) If the notice concerns a municipal corporation with a 638

population of one thousand or more, cease providing for payments 639  
to the municipal corporation under section 5747.50 of the 640  
Revised Code beginning with the next required payment; 641

(2) If the notice concerns a qualifying village, as 642  
defined in section 5747.503 of the Revised Code, reduce the 643  
supplemental payments to the appropriate county undivided local 644  
government fund under section 5747.503 of the Revised Code by an 645  
amount equal to the amount of such payments the qualifying 646  
village would otherwise receive under that section, beginning 647  
with the next required payment; 648

(3) For any county or municipal corporation identified in 649  
the notice, reduce payments to the appropriate county undivided 650  
local government fund under division (B) of section 5747.50 of 651  
the Revised Code by an amount equal to the amount of such 652  
payments the county or municipal corporation would otherwise 653  
receive under section 5747.51 or 5747.53 of the Revised Code, 654  
beginning with the next required payment. 655

(C) Subject to section 5747.505 of the Revised Code, upon 656  
receiving notice from the secretary of state, under division (C) 657  
of section 3505.11 or 3513.141 of the Revised Code, that a 658  
county or municipal corporation has, by resolution or ordinance, 659  
rescinded previous approval for the use of ranked choice voting, 660  
the commissioner shall resume all local government fund payments 661  
ceased or reduced under division (B) of this section due to that 662  
county's or municipal corporation's use of ranked choice voting. 663

(D) (1) The commissioner shall notify the county auditor 664  
and county treasurer on or before the day the commissioner first 665  
reduces a county undivided local government fund payment to that 666  
county under division (B) (3) of this section. The notice shall 667  
include the full amount of the reduction, a list of the counties 668

and municipal corporations to which the reduction applies, and 669  
the amount of reduction attributed to each such county or 670  
municipal corporation. 671

(2) The commissioner shall also notify the county auditor 672  
and county treasurer on or before the day that the commissioner 673  
first resumes payments to the county undivided local government 674  
fund under division (C) of this section. The notification shall 675  
include a list of the counties or municipal corporations that 676  
are again eligible to receive local government fund payments. 677

(3) Subject to section 5747.505 of the Revised Code, a 678  
county treasurer that receives a notice from the commissioner 679  
under division (D) (1) or (2) of this section shall cease or 680  
resume payments from the undivided local government fund to the 681  
county or municipal corporation that is the subject of the 682  
notice as specified by the commissioner in the notice. 683

(E) On or before the tenth day of each month, the 684  
commissioner shall transfer from the local government fund to 685  
the general revenue fund the sum of the payments withheld that 686  
month under division (B) of this section. 687

**Sec. 5747.505.** If a municipal corporation or county is 688  
subject to more than one reduction required by sections 5747.502 689  
~~and, 5747.504, and 5747.506~~ of the Revised Code for the same 690  
month, the tax commissioner shall apply ~~the reduction those~~ 691  
reductions, and make the attendant deposits or payments, in the 692  
following order: 693

(A) The reduction required by section 5747.504 of the 694  
Revised Code ~~first and the deposit the amount of payments~~ 695  
~~withheld~~ to the general revenue fund required under division (E) 696  
of that section; 697

(B) The reduction required by section 5747.502 of the Revised Code, the payment required by division (C) (4) of that section, and the deposit required by division (F) (1) of that section; 698  
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701

(C) The reduction required by section 5747.506 of the Revised Code and the deposit required by division (E) of that section. 702  
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**Sec. 5747.506.** (A) As used in this section: 705

(1) "Gender reassignment surgery adjustment" means twenty-five per cent of a local authority's local government fund payment for a month. 706  
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708

(2) "Local authority" has the same meaning as in section 5747.502 of the Revised Code. 709  
710

(3) "Local government fund payments" or "LGF payments" means the payments a local authority would receive each month under sections 5747.503, 5747.51, and 5747.53, and division (C) of section 5747.50 of the Revised Code, as applicable, if not for the reductions required by this section. 711  
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(4) "Qualifying village" has the same meaning as in section 5747.503 of the Revised Code. 716  
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(B) Upon receiving certification from the attorney general, pursuant to division (D) of section 9.051 of the Revised Code, that a local authority is not in compliance, or has failed to certify compliance, with division (B) of that section, the commissioner shall subtract a gender reassignment surgery adjustment from the local authority's LGF payments, as described in division (C) of this section, beginning with the next required payment and until such time as the reduction has been applied to twelve required payments. 718  
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(C) (1) If the local authority is a municipal corporation 727  
with a population of one thousand or more, the commissioner 728  
shall first reduce payments to the municipal corporation under 729  
division (C) of section 5747.50 of the Revised Code by the 730  
lesser of the gender reassignment surgery adjustment or the 731  
amount the municipal corporation would otherwise receive under 732  
that division. If the gender reassignment surgery adjustment 733  
exceeds the amount of money the municipal corporation would 734  
otherwise receive under division (C) of section 5747.50 of the 735  
Revised Code, the commissioner also shall reduce payments to the 736  
appropriate county undivided local government fund under 737  
division (B) of section 5747.50 of the Revised Code by the 738  
excess gender reassignment surgery adjustment. 739

(2) If the local authority is a qualifying village or 740  
township, the commissioner shall first reduce supplemental 741  
payments to the appropriate county undivided local government 742  
fund under section 5747.503 of the Revised Code by the lesser of 743  
the gender reassignment surgery adjustment, or the amount of 744  
money the qualifying village or township would otherwise receive 745  
under that section. If the gender reassignment surgery 746  
adjustment exceeds the amount of money the qualifying village or 747  
township would otherwise receive under section 5747.503 of the 748  
Revised Code, the commissioner also shall reduce payments to the 749  
appropriate county undivided local government fund under 750  
division (B) of section 5747.50 of the Revised Code by the 751  
excess gender reassignment surgery adjustment. 752

(3) If the local authority is a county, the commissioner 753  
shall reduce payments to the appropriate county undivided local 754  
government fund under division (B) of section 5747.50 of the 755  
Revised Code by the gender reassignment surgery adjustment. 756

(D) The tax commissioner shall notify the county auditor 757  
and county treasurer on or before the day the commissioner first 758  
reduces a county undivided local government fund payment to that 759  
county under division (C) of this section. The notice shall 760  
include the full amount of the reduction, a list of the local 761  
authorities to which the reduction applies, the amount of 762  
reduction attributed to each such local authority, and when the 763  
reduction shall cease. 764

A county treasurer that receives a notice from the 765  
commissioner under this division shall reduce payments from the 766  
undivided local government fund to the local authority that is 767  
the subject of the notice for each month that the reduction 768  
applies. Unless otherwise specified in the notice, the payments 769  
shall be reduced beginning with the next required payment. 770

(E) On or before the tenth day of each month, the tax 771  
commissioner shall transfer from the local government fund to 772  
the general revenue fund the sum of the payments withheld that 773  
month under division (C) of this section. 774

**Sec. 5747.51.** (A) On or before the twenty-fifth day of 775  
July of each year, the tax commissioner shall make and certify 776  
to the county auditor of each county an estimate of the amount 777  
of the local government fund to be allocated to the undivided 778  
local government fund of each county for the ensuing calendar 779  
year, adjusting the total as required to account for 780  
subdivisions receiving reduced local government funds under 781  
section 5747.502, 5774.504, or 5747.505 of the Revised Code. 782

(B) At each annual regular session of the county budget 783  
commission convened pursuant to section 5705.27 of the Revised 784  
Code, each auditor shall present to the commission the 785  
certificate of the commissioner, the annual tax budget and 786

estimates, and the records showing the action of the commission 787  
in its last preceding regular session. The commission, after 788  
extending to the representatives of each subdivision an 789  
opportunity to be heard, under oath administered by any member 790  
of the commission, and considering all the facts and information 791  
presented to it by the auditor, shall determine the amount of 792  
the undivided local government fund needed by and to be 793  
apportioned to each subdivision for current operating expenses, 794  
as shown in the tax budget of the subdivision. This 795  
determination shall be made pursuant to divisions (C) to (I) of 796  
this section, unless the commission has provided for a formula 797  
pursuant to section 5747.53 of the Revised Code. The 798  
commissioner shall reduce the amount of funds from the undivided 799  
local government fund to a subdivision required to receive 800  
reduced funds under section 5747.502, 5747.504, or 5747.505 of 801  
the Revised Code. 802

Nothing in this section prevents the budget commission, 803  
for the purpose of apportioning the undivided local government 804  
fund, from inquiring into the claimed needs of any subdivision 805  
as stated in its tax budget, or from adjusting claimed needs to 806  
reflect actual needs. For the purposes of this section, "current 807  
operating expenses" means the lawful expenditures of a 808  
subdivision, except those for permanent improvements and except 809  
payments for interest, sinking fund, and retirement of bonds, 810  
notes, and certificates of indebtedness of the subdivision. 811

(C) The commission shall determine the combined total of 812  
the estimated expenditures, including transfers, from the 813  
general fund and any special funds other than special funds 814  
established for road and bridge; street construction, 815  
maintenance, and repair; state highway improvement; and gas, 816  
water, sewer, and electric public utilities operated by a 817

subdivision, as shown in the subdivision's tax budget for the 818  
ensuing calendar year. 819

(D) From the combined total of expenditures calculated 820  
pursuant to division (C) of this section, the commission shall 821  
deduct the following expenditures, if included in these funds in 822  
the tax budget: 823

(1) Expenditures for permanent improvements as defined in 824  
division (E) of section 5705.01 of the Revised Code; 825

(2) In the case of counties and townships, transfers to 826  
the road and bridge fund, and in the case of municipalities, 827  
transfers to the street construction, maintenance, and repair 828  
fund and the state highway improvement fund; 829

(3) Expenditures for the payment of debt charges; 830

(4) Expenditures for the payment of judgments. 831

(E) In addition to the deductions made pursuant to 832  
division (D) of this section, revenues accruing to the general 833  
fund and any special fund considered under division (C) of this 834  
section from the following sources shall be deducted from the 835  
combined total of expenditures calculated pursuant to division 836  
(C) of this section: 837

(1) Taxes levied within the ten-mill limitation, as 838  
defined in section 5705.02 of the Revised Code; 839

(2) The budget commission allocation of estimated county 840  
public library fund revenues to be distributed pursuant to 841  
section 5747.48 of the Revised Code; 842

(3) Estimated unencumbered balances as shown on the tax 843  
budget as of the thirty-first day of December of the current 844  
year in the general fund, but not any estimated balance in any 845

special fund considered in division (C) of this section; 846

(4) Revenue, including transfers, shown in the general 847  
fund and any special funds other than special funds established 848  
for road and bridge; street construction, maintenance, and 849  
repair; state highway improvement; and gas, water, sewer, and 850  
electric public utilities, from all other sources except those 851  
that a subdivision receives from an additional tax or service 852  
charge voted by its electorate or receives from special 853  
assessment or revenue bond collection. For the purposes of this 854  
division, where the charter of a municipal corporation prohibits 855  
the levy of an income tax, an income tax levied by the 856  
legislative authority of such municipal corporation pursuant to 857  
an amendment of the charter of that municipal corporation to 858  
authorize such a levy represents an additional tax voted by the 859  
electorate of that municipal corporation. For the purposes of 860  
this division, any measure adopted by a board of county 861  
commissioners pursuant to section 322.02, 4504.02, or 5739.021 862  
of the Revised Code, including those measures upheld by the 863  
electorate in a referendum conducted pursuant to section 864  
322.021, 4504.021, or 5739.022 of the Revised Code, shall not be 865  
considered an additional tax voted by the electorate. 866

Money in a reserve balance account established by a 867  
county, township, or municipal corporation under section 5705.13 868  
of the Revised Code shall not be considered an unencumbered 869  
balance or revenue under division (E) (3) or (4) of this section. 870  
Money in a reserve balance account established by a township 871  
under section 5705.132 of the Revised Code shall not be 872  
considered an unencumbered balance or revenue under division (E) 873  
(3) or (4) of this section. 874

If a county, township, or municipal corporation has 875

created and maintains a nonexpendable trust fund under section 876  
5705.131 of the Revised Code, the principal of the fund, and any 877  
additions to the principal arising from sources other than the 878  
reinvestment of investment earnings arising from such a fund, 879  
shall not be considered an unencumbered balance or revenue under 880  
division (E) (3) or (4) of this section. Only investment earnings 881  
arising from investment of the principal or investment of such 882  
additions to principal may be considered an unencumbered balance 883  
or revenue under those divisions. 884

(F) The total expenditures calculated pursuant to division 885  
(C) of this section, less the deductions authorized in divisions 886  
(D) and (E) of this section, shall be known as the "relative 887  
need" of the subdivision, for the purposes of this section. 888

(G) The budget commission shall total the relative need of 889  
all participating subdivisions in the county, and shall compute 890  
a relative need factor by dividing the total estimate of the 891  
undivided local government fund by the total relative need of 892  
all participating subdivisions. 893

(H) The relative need of each subdivision shall be 894  
multiplied by the relative need factor to determine the 895  
proportionate share of the subdivision in the undivided local 896  
government fund of the county; provided, that the maximum 897  
proportionate share of a county shall not exceed the following 898  
maximum percentages of the total estimate of the undivided local 899  
government fund governed by the relationship of the percentage 900  
of the population of the county that resides within municipal 901  
corporations within the county to the total population of the 902  
county as reported in the reports on population in Ohio by the 903  
department of development as of the twentieth day of July of the 904  
year in which the tax budget is filed with the budget 905

commission: 906  
907

1 2

A	Percentage of municipal population within the county:	Percentage share of the county shall not exceed:
B	Less than forty-one per cent	Sixty per cent
C	Forty-one per cent or more but less than eighty-one per cent	Fifty per cent
D	Eighty-one per cent or more	Thirty per cent

Where the proportionate share of the county exceeds the 908  
limitations established in this division, the budget commission 909  
shall adjust the proportionate shares determined pursuant to 910  
this division so that the proportionate share of the county does 911  
not exceed these limitations, and it shall increase the 912  
proportionate shares of all other subdivisions on a pro rata 913  
basis. In counties having a population of less than one hundred 914  
thousand, not less than ten per cent shall be distributed to the 915  
townships therein. 916

(I) The proportionate share of each subdivision in the 917  
undivided local government fund determined pursuant to division 918  
(H) of this section for any calendar year shall not be less than 919  
the product of the average of the percentages of the undivided 920  
local government fund of the county as apportioned to that 921  
subdivision for the calendar years 1968, 1969, and 1970, 922  
multiplied by the total amount of the undivided local government 923  
fund of the county apportioned pursuant to former section 924  
5739.23 of the Revised Code for the calendar year 1970. For the 925

purposes of this division, the total apportioned amount for the 926  
calendar year 1970 shall be the amount actually allocated to the 927  
county in 1970 from the state collected intangible tax as levied 928  
by section 5707.03 of the Revised Code and distributed pursuant 929  
to section 5725.24 of the Revised Code, plus the amount received 930  
by the county in the calendar year 1970 pursuant to division (B) 931  
(1) of former section 5739.21 of the Revised Code, and 932  
distributed pursuant to former section 5739.22 of the Revised 933  
Code. If the total amount of the undivided local government fund 934  
for any calendar year is less than the amount of the undivided 935  
local government fund apportioned pursuant to former section 936  
5739.23 of the Revised Code for the calendar year 1970, the 937  
minimum amount guaranteed to each subdivision for that calendar 938  
year pursuant to this division shall be reduced on a basis 939  
proportionate to the amount by which the amount of the undivided 940  
local government fund for that calendar year is less than the 941  
amount of the undivided local government fund apportioned for 942  
the calendar year 1970. 943

(J) On the basis of such apportionment, the county auditor 944  
shall compute the percentage share of each such subdivision in 945  
the undivided local government fund and shall at the same time 946  
certify to the tax commissioner the percentage share of the 947  
county as a subdivision. No payment shall be made from the 948  
undivided local government fund, except in accordance with such 949  
percentage shares. 950

Within ten days after the budget commission has made its 951  
apportionment, whether conducted pursuant to section 5747.51 or 952  
5747.53 of the Revised Code, the auditor shall publish a list of 953  
the subdivisions and the amount each is to receive from the 954  
undivided local government fund and the percentage share of each 955  
subdivision, in a newspaper or newspapers of countywide 956

circulation, and send a copy of such allocation to the tax 957  
commissioner. 958

The county auditor shall also send a copy of such 959  
allocation by ordinary or electronic mail to the fiscal officer 960  
of each subdivision entitled to participate in the allocation of 961  
the undivided local government fund of the county. This copy 962  
shall constitute the official notice of the commission action 963  
referred to in section 5705.37 of the Revised Code. 964

All money received into the treasury of a subdivision from 965  
the undivided local government fund in a county treasury shall 966  
be paid into the general fund and used for the current operating 967  
expenses of the subdivision. 968

If a municipal corporation maintains a municipal 969  
university, such municipal university, when the board of 970  
trustees so requests the legislative authority of the municipal 971  
corporation, shall participate in the money apportioned to such 972  
municipal corporation from the total local government fund, 973  
however created and constituted, in such amount as requested by 974  
the board of trustees, provided such sum does not exceed nine 975  
per cent of the total amount paid to the municipal corporation. 976

If any public official fails to maintain the records 977  
required by sections 5747.50 to 5747.55 of the Revised Code or 978  
by the rules issued by the tax commissioner, the auditor of 979  
state, or the treasurer of state pursuant to such sections, or 980  
fails to comply with any law relating to the enforcement of such 981  
sections, the local government fund money allocated to the 982  
county may be withheld until such time as the public official 983  
has complied with such sections or such law or the rules issued 984  
pursuant thereto. 985

<b>Sec. 5747.53.</b> (A) As used in this section:	986
(1) "City, located wholly or partially in the county, with the greatest population" means the city, located wholly or partially in the county, with the greatest population residing in the county; however, if the county budget commission on or before January 1, 1998, adopted an alternative method of apportionment that was approved by the legislative authority of the city, located partially in the county, with the greatest population but not the greatest population residing in the county, "city, located wholly or partially in the county, with the greatest population" means the city, located wholly or partially in the county, with the greatest population whether residing in the county or not, if this alternative meaning is adopted by action of the board of county commissioners and a majority of the boards of township trustees and legislative authorities of municipal corporations located wholly or partially in the county.	987 988 989 990 991 992 993 994 995 996 997 998 999 1000 1001 1002
(2) "Participating political subdivision" means a municipal corporation or township that satisfies all of the following:	1003 1004 1005
(a) It is located wholly or partially in the county.	1006
(b) It is not the city, located wholly or partially in the county, with the greatest population.	1007 1008
(c) Undivided local government fund moneys are apportioned to it under the county's alternative method or formula of apportionment in the current calendar year.	1009 1010 1011
(B) In lieu of the method of apportionment of the undivided local government fund of the county provided by section 5747.51 of the Revised Code, the county budget	1012 1013 1014

commission may provide for the apportionment of the fund under 1015  
an alternative method or on a formula basis as authorized by 1016  
this section. The commissioner shall reduce the amount of funds 1017  
from the undivided local government fund to a subdivision 1018  
required to receive reduced funds under section 5747.502,  1019  
5747.504, or 5747.505 of the Revised Code. 1020

Except as otherwise provided in division (C) of this 1021  
section, the alternative method of apportionment shall have 1022  
first been approved by all of the following governmental units: 1023  
the board of county commissioners; the legislative authority of 1024  
the city, located wholly or partially in the county, with the 1025  
greatest population; and a majority of the boards of township 1026  
trustees and legislative authorities of municipal corporations, 1027  
located wholly or partially in the county, excluding the 1028  
legislative authority of the city, located wholly or partially 1029  
in the county, with the greatest population. In granting or 1030  
denying approval for an alternative method of apportionment, the 1031  
board of county commissioners, boards of township trustees, and 1032  
legislative authorities of municipal corporations shall act by 1033  
motion. A motion to approve shall be passed upon a majority vote 1034  
of the members of a board of county commissioners, board of 1035  
township trustees, or legislative authority of a municipal 1036  
corporation, shall take effect immediately, and need not be 1037  
published. 1038

Any alternative method of apportionment adopted and 1039  
approved under this division shall be reviewed by the county 1040  
budget commission at a public hearing held at least once in the 1041  
year following ~~the effective date of this amendment~~ October 3, 1042  
2023, and in every fifth year thereafter. The county budget 1043  
commission shall provide reasonable advance notice of the 1044  
hearing to all political subdivisions eligible to participate in 1045

the fund and shall take public testimony from any such political 1046  
subdivision that wishes to testify. 1047

Any alternative method of apportionment adopted and 1048  
approved under this division may be revised, amended, or 1049  
repealed in the same manner as it may be adopted and approved. 1050  
If an alternative method of apportionment adopted and approved 1051  
under this division is repealed, the undivided local government 1052  
fund of the county shall be apportioned among the subdivisions 1053  
eligible to participate in the fund, commencing in the ensuing 1054  
calendar year, under the apportionment provided in section 1055  
5747.52 of the Revised Code, unless the repeal occurs by 1056  
operation of division (C) of this section or a new method for 1057  
apportionment of the fund is provided in the action of repeal. 1058

(C) This division applies only in counties in which the 1059  
city, located wholly or partially in the county, with the 1060  
greatest population has a population of twenty thousand or less 1061  
and a population that is less than fifteen per cent of the total 1062  
population of the county. In such a county, the legislative 1063  
authorities or boards of township trustees of two or more 1064  
participating political subdivisions, which together have a 1065  
population residing in the county that is a majority of the 1066  
total population of the county, each may adopt a resolution to 1067  
exclude the approval otherwise required of the legislative 1068  
authority of the city, located wholly or partially in the 1069  
county, with the greatest population. All of the resolutions to 1070  
exclude that approval shall be adopted not later than the first 1071  
Monday of August of the year preceding the calendar year in 1072  
which distributions are to be made under an alternative method 1073  
of apportionment. 1074

A motion granting or denying approval of an alternative 1075

method of apportionment under this division shall be adopted by 1076  
a majority vote of the members of the board of county 1077  
commissioners and by a majority vote of a majority of the boards 1078  
of township trustees and legislative authorities of the 1079  
municipal corporations located wholly or partially in the 1080  
county, other than the city, located wholly or partially in the 1081  
county, with the greatest population, shall take effect 1082  
immediately, and need not be published. The alternative method 1083  
of apportionment under this division shall be adopted and 1084  
approved annually, not later than the first Monday of August of 1085  
the year preceding the calendar year in which distributions are 1086  
to be made under it. A motion granting approval of an 1087  
alternative method of apportionment under this division repeals 1088  
any existing alternative method of apportionment, effective with 1089  
distributions to be made from the fund in the ensuing calendar 1090  
year. An alternative method of apportionment under this division 1091  
shall not be revised or amended after the first Monday of August 1092  
of the year preceding the calendar year in which distributions 1093  
are to be made under it. 1094

(D) In determining an alternative method of apportionment 1095  
authorized by this section, the county budget commission may 1096  
include in the method any factor considered to be appropriate 1097  
and reliable, in the sole discretion of the county budget 1098  
commission. 1099

(E) The limitations set forth in section 5747.51 of the 1100  
Revised Code, stating the maximum amount that the county may 1101  
receive from the undivided local government fund and the minimum 1102  
amount the townships in counties having a population of less 1103  
than one hundred thousand may receive from the fund, are 1104  
applicable to any alternative method of apportionment authorized 1105  
under this section. 1106

(F) On the basis of any alternative method of 1107  
apportionment adopted and approved as authorized by this 1108  
section, as certified by the auditor to the county treasurer, 1109  
the county treasurer shall make distribution of the money in the 1110  
undivided local government fund to each subdivision eligible to 1111  
participate in the fund, and the auditor, when the amount of 1112  
those shares is in the custody of the treasurer in the amounts 1113  
so computed to be due the respective subdivisions, shall at the 1114  
same time certify to the tax commissioner the percentage share 1115  
of the county as a subdivision. All money received into the 1116  
treasury of a subdivision from the undivided local government 1117  
fund in a county treasury shall be paid into the general fund 1118  
and used for the current operating expenses of the subdivision. 1119  
If a municipal corporation maintains a municipal university, the 1120  
university, when the board of trustees so requests the 1121  
legislative authority of the municipal corporation, shall 1122  
participate in the money apportioned to the municipal 1123  
corporation from the total local government fund, however 1124  
created and constituted, in the amount requested by the board of 1125  
trustees, provided that amount does not exceed nine per cent of 1126  
the total amount paid to the municipal corporation. 1127

(G) The actions of the county budget commission taken 1128  
pursuant to this section are final and may not be appealed to 1129  
the board of tax appeals, except on the issues of abuse of 1130  
discretion and failure to comply with the formula. 1131

**Section 2.** That existing sections 4117.10, 5747.50, 1132  
5747.502, 5747.504, 5747.505, 5747.51, and 5747.53 of the 1133  
Revised Code are hereby repealed. 1134

**Section 3.** (A) As used in this section, "policy, contract, 1135  
or plan" has the same meaning as in section 9.051 of the Revised 1136

Code as enacted by this act.	1137
(B) Section 9.051 of the Revised Code, as enacted by this	1138
act, applies to any policy, contract, or plan entered into on or	1139
after the effective date of this section.	1140
<b>Section 4.</b> The General Assembly, applying the principle	1141
stated in division (B) of section 1.52 of the Revised Code that	1142
amendments are to be harmonized if reasonably capable of	1143
simultaneous operation, finds that the following sections,	1144
presented in this act as composites of the sections as amended	1145
by the acts indicated, are the resulting versions of the	1146
sections in effect prior to the effective date of the sections	1147
as presented in this act:	1148
Section 5747.502 of the Revised Code as amended by H.B.	1149
54, H.B. 96, and S.B. 63 all of the 136th General Assembly.	1150
Section 5747.53 of the Revised Code as amended by both	1151
H.B. 33 of the 135th General Assembly and H.B. 62 of the 133rd	1152
General Assembly.	1153