

As Reported by the Senate Finance Committee

133rd General Assembly

Regular Session

2019-2020

Sub. S. B. No. 357

Senator Dolan

Cosponsors: Senators Hottinger, Eklund, Lehner, Gavarone, Kunze, Sykes

A BILL

To amend Section 27 of H.B. 481 of the 133rd 1
General Assembly to provide for the distribution 2
of some federal coronavirus relief funding to 3
local subdivisions, to make an appropriation, 4
and to declare an emergency. 5

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

Section 1. (A) For the purpose of this section: 6

(1) "Eligible subdivision" means a county, municipal 7
corporation, or township that did not receive a direct payment 8
under section 5001 of the "Coronavirus Aid, Relief, and Economic 9
Security Act," as described in 42 U.S.C. 801(b) (2). 10

(2) "Population" means the most recent population estimate 11
published by the Development Services Agency and based on the 12
American Community Survey, as published by the United States 13
Census Bureau. The population of a township includes only the 14
population of the township's unincorporated area. 15

(B) As soon as is practicable after the effective date of 16
this section, the Director of Budget and Management shall 17
provide for payment from the Coronavirus Relief Fund to each 18

county treasury, to be deposited in the county coronavirus relief distribution fund created pursuant to Section 27 of H.B. 481 of the 133rd General Assembly. The amount of the payment to each county coronavirus relief distribution fund shall equal the amount appropriated under Section 5 of this act multiplied by a fraction, the numerator of which is the sum of the populations of all municipal corporations and townships that are eligible subdivisions and are fully or partially located within the county plus the population of the county if the county is an eligible subdivision, and the denominator of which is the sum of the populations of all eligible subdivisions in this state. Only the portion of a municipal corporation's or township's population that resides in the county shall be included in computing the numerator of that fraction.

(C) Subject to division (G) of this section, within seven days of deposit in the county coronavirus relief distribution fund of the payment described in division (B) of this section, the county auditor shall distribute the money to the county, unless the county is not an eligible subdivision, and to each municipal corporation or township that is an eligible subdivision and is fully or partially located within the county, in an amount equal to the amount of money in the fund multiplied by a fraction, the numerator of which is the population of the eligible subdivision and the denominator of which is the sum of the populations of all municipal corporations and townships that are eligible subdivisions and are fully or partially located within the county plus the population of the county if the county is an eligible subdivision. Only the portion of a municipal corporation's or township's population that resides in the county shall be included in computing that numerator and denominator.

Upon making the distribution, the county auditor shall 50
report to the Director of Budget and Management the amount 51
distributed to each eligible subdivision. The report shall be 52
made in the manner prescribed by the Director. 53

(D) Money received under division (C) of this section by 54
an eligible subdivision shall be deposited into the 55
subdivision's local coronavirus relief fund created by the 56
subdivision's fiscal officer pursuant to Section 27 of H.B. 481 57
of the 133rd General Assembly. Money in that fund shall be used 58
to cover only costs of the subdivision consistent with the 59
requirements of section 5001 of the "Coronavirus Aid, Relief, 60
and Economic Security Act," as described in 42 U.S.C. 801(d). 61
Money in an eligible subdivision's local coronavirus relief fund 62
shall be audited by the Auditor of State during the 63
subdivision's next regular audit under section 117.11 of the 64
Revised Code to determine whether money in the fund has been 65
expended in accordance with the requirements of this section. 66

(E) Divisions (F) and (G) of Section 27 of H.B. 481 of the 67
133rd General Assembly, concerning the return and redistribution 68
of the unencumbered balance of money in a subdivision's local 69
coronavirus relief fund and, ultimately, the return of 70
unexpended funds to the state treasury apply to distributions 71
made under this section. 72

(F) A county, municipal corporation, or township receiving 73
a payment under this section shall, upon request, provide any 74
information related to those payments or their expenditure to 75
the Director of Budget and Management. 76

(G) No money in a county coronavirus relief distribution 77
fund shall be distributed to the local coronavirus relief fund 78
of a county, township, or municipal corporation that has not 79

adopted a resolution or ordinance required under division (D) of 80
Section 27 of H.B. 481 of the 133rd General Assembly. Adopting 81
one such resolution or ordinance is sufficient to meet the 82
requirements of this division with respect to all distributions 83
to the subdivision from the county coronavirus relief 84
distribution fund. The legislative authority of a subdivision 85
need not adopt a separate resolution or ordinance for each new 86
distribution of funds. 87

If the legislative authority of a subdivision that would 88
otherwise receive a distribution from a county coronavirus 89
relief distribution fund has not adopted such a resolution or 90
ordinance, the distribution that the subdivision would otherwise 91
receive shall remain in that fund until the earlier of the 92
following occurs: 93

(1) The legislative authority of the subdivision adopts 94
such a resolution or ordinance, at which time the distribution 95
shall be paid into the subdivision's local coronavirus relief 96
fund; or 97

(2) The unencumbered balance of the county coronavirus 98
relief distribution fund is redistributed under division (E) of 99
this section, division (F) of Section 27 of H.B. 481 of the 100
133rd General Assembly, or another applicable act, rule, or 101
order, at which time the distribution shall be redistributed in 102
the manner prescribed by that division, act, rule, or order. 103

This division applies to the money appropriated under this 104
act and to all other money that has been or is hereafter 105
deposited to a county coronavirus relief distribution fund. 106

Section 2. That Section 27 of H.B. 481 of the 133rd 107
General Assembly be amended to read as follows: 108

Sec. 27. (A) As used in <u>For the purpose of</u> this section:	109
(1) "Subdivision" means a county, township, or municipal corporation, and does not include a park district.	110 111
(2) "Ineligible subdivision" means a county or municipal corporation receiving a direct payment under section 5001 of the "Coronavirus Aid, Relief, and Economic Security Act," as described in 42 U.S.C. 601(b)(2) <u>801(b)(2)</u> .	112 113 114 115
(3) "2019 LGF allocation" means the amount that would have been deposited to a county's county undivided local government fund in 2019 disregarding any reduction under section 5747.502 of the Revised Code and excluding any amounts deposited in that fund that were paid in that year to ineligible subdivisions or pursuant to section 5747.503 of the Revised Code.	116 117 118 119 120 121
(4) "2019 CULGF allocation" means the amount of funds from a county's county undivided local government fund a subdivision would have received in 2019 under section 5747.51 or 5747.53 of the Revised Code disregarding any reduction under section 5747.502 of the Revised Code and any adjustment because the subdivision, pursuant to an ordinance or resolution, elected to forgo all or a portion of its share of such funds.	122 123 124 125 126 127 128
(5) "Population" has the same meaning as in section 1.59 of the Revised Code <u>means the most recent population estimate published by the Development Services Agency and based on the American Community Survey, as published by the United States Census Bureau. The population of a township includes only the population of the township's unincorporated area.</u>	129 130 131 132 133 134
(B) As soon as is practicable after the effective date of this section, the Director of Budget and Management, in consultation with the Tax Commissioner, shall provide for	135 136 137

payment from the Coronavirus Relief Fund to each county 138
treasury, to be deposited into a new fund in the county treasury 139
to be named the county coronavirus relief distribution fund, 140
which the county auditor shall create for this purpose. The 141
amount of the payment to each county coronavirus relief 142
distribution fund shall equal the amount appropriated under 143
Section 28 of this act multiplied by a fraction, the numerator 144
of which is the 2019 LGF allocation for that county and the 145
denominator of which is the sum of the 2019 LGF allocations for 146
all counties. 147

(C) Within seven days of deposit in the county coronavirus 148
relief distribution fund of the payment described in division 149
(B) of this section, the county auditor shall distribute that 150
money to the county, unless the county is an ineligible 151
subdivision, and to each municipal corporation and township that 152
is not an ineligible subdivision, in an amount equal to the 153
amount of money in that fund multiplied by a fraction, the 154
numerator of which equals the subdivision's 2019 CULGF 155
allocation and the denominator of which equals the sum of the 156
2019 CULGF allocations from that county's county undivided local 157
government fund for all such subdivisions. 158

Upon making the distribution, the county auditor shall 159
report to the Director of Budget and Management the amount 160
distributed to each subdivision. The report shall be made in the 161
manner prescribed by the Director. 162

(D) To be eligible to receive a payment under division (C) 163
of this section, the legislative authority of a county, 164
township, or municipal corporation must adopt a resolution or 165
ordinance affirming that the funds so received may be expended 166
only to cover costs of the subdivision consistent with the 167

requirements of section 5001 of the "Coronavirus Aid, Relief, 168
and Economic Security Act," as described in 42 U.S.C. 169
~~601(d)~~801(d), and any applicable regulations. Subject to 170
division (F) of this section, until the legislative authority 171
adopts this resolution or ordinance, the subdivision's share of 172
the money from the county coronavirus relief distribution fund 173
shall remain in that fund. The legislative authority shall 174
certify a copy of the resolution or ordinance to the county 175
auditor and the Director of Budget and Management. 176

(E) Money received under division (C) of this section by a 177
subdivision shall be deposited into a new fund in the 178
subdivision's treasury to be named the local coronavirus relief 179
fund, which the subdivision's fiscal officer shall create for 180
this purpose. Money in that fund shall be used to cover only 181
costs of the subdivision consistent with the requirements of 182
section 5001 of the "Coronavirus Aid, Relief, and Economic 183
Security Act," as described in 42 U.S.C. ~~601(d)~~801(d). Money in 184
a subdivision's local coronavirus relief fund shall be audited 185
by the Auditor of State during the subdivision's next regular 186
audit under section 117.11 of the Revised Code to determine 187
whether money in the fund has been expended in accordance with 188
the requirements of this section. 189

~~(F)~~ (F) (1) Not later than ~~October 15~~November 20, 2020, the 190
fiscal officer of each subdivision shall pay the unencumbered 191
balance of money in the subdivision's local coronavirus relief 192
fund to the county treasurer, who shall deposit this revenue in 193
the county coronavirus relief distribution fund. If the 194
subdivision is located within more than one county, the 195
subdivision's fiscal officer shall apportion and pay the 196
unencumbered balance of money in the fund among the counties in 197
which it is located proportionally, based on the cumulative 198

amount of money the subdivision received from each such county's 199
coronavirus relief distribution fund under division (C) of this 200
section, division (C) of Section 1 of S.B. 357 of the 133rd 201
General Assembly, and any other appropriations approved by the 202
Controlling Board. On or before ~~October 22~~November 25, 2020, the 203
county auditor shall distribute all money to the credit of the 204
county coronavirus relief distribution fund ~~as follows~~ to the 205
county and to each municipal corporation and township ~~in fully~~ 206
or partially located within that county, unless the subdivision 207
is an ineligible subdivision or paid an unencumbered balance to 208
the treasurer under this division or the subdivision's 209
legislative authority has not adopted the resolution or 210
ordinance required under division (D) of this section. Subject 211
to division (F) (2) of this section, the money shall be 212
distributed as follows: 213

~~(1)~~ (a) Twenty-five per cent of the money to the county if 214
it qualifies for a distribution under ~~this division (F) (1) of~~ 215
this section; 216

~~(2)~~ (b) The remaining balance to each such qualifying 217
municipal corporation or township, of which the distribution to 218
each shall equal the amount of the remaining balance multiplied 219
by a fraction, the numerator of which is the population of the 220
municipal corporation or the ~~unincorporated area of the~~ 221
township, and the denominator of which is the sum of the 222
populations of all such municipal corporations and ~~the~~ 223
~~unincorporated areas of all such townships in the county~~ 224
~~eligible to receive a payment that qualify for a distribution~~ 225
under division ~~(F)~~ (F) (1) of this section. Only the portion of a 226
municipal corporation's or township's population that resides in 227
the county shall be included in computing that numerator and 228
denominator. 229

(2) If fewer than twenty-five per cent of the municipal corporations and townships with a population that resides in a county qualify for a distribution under division (F)(1) of this section, "fifty per cent" shall be substituted for "twenty-five per cent" in computing the amount of money to be distributed to the county under division (F)(1)(a) of this section if the county qualifies for such a distribution. 230
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(3) Money received by a subdivision under division ~~(F)~~(F)(1) of this section shall be deposited in the subdivision's local coronavirus relief fund and used as required under division (E) of this section. 237
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(4) Upon making the distribution under ~~this division~~ (F)(1) of this section, the county auditor shall report to the Director of Budget and Management the amount of the unencumbered balance paid to the county treasury by each subdivision making such a payment and the amount distributed to each subdivision receiving a distribution under this division. If no subdivision made such a payment to the county treasury, the auditor shall report that no such payments were made. The report shall be made in the manner prescribed by the Director. 241
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(G) Not later than ~~December 28, 2020~~February 1, 2021, the fiscal officer of each subdivision shall pay the unexpended balance of money in the subdivision's local coronavirus relief fund ~~that remains unexpended on that date~~ to the state treasury in the manner prescribed by the Director of Budget and Management. This division does not authorize any subdivision to use money in its local coronavirus relief fund for expenses incurred after December 30, 2020. A subdivision's local coronavirus relief fund may be held open during the period beginning December 31, 2020, and ending February 1, 2021, only 250
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for account reconciliation and other similar purposes. 260

(H) A county, municipal corporation, or township receiving 261
a payment from a county coronavirus relief distribution fund 262
under this section shall, upon request, provide any information 263
related to those payments or their expenditure to the Director 264
of Budget and Management. 265

Section 3. That existing Section 27 of H.B. 481 of the 266
133rd General Assembly is hereby repealed. 267

Section 4. The amendment by this act of Section 27 of H.B. 268
481 of the 133rd General Assembly applies to all amounts 269
distributed to a county coronavirus relief distribution fund 270
under that section or Section 1 of this act, including 271
appropriations in Section 28 of H.B. 481 of the 133rd General 272
Assembly and Section 5 of this act, as well as all 273
appropriations approved by the Controlling Board and distributed 274
to such a fund before, on, or after the effective date of this 275
section. 276

Section 5. All appropriation items in this section are 277
appropriated out of money in the state treasury to the credit of 278
the Coronavirus Relief Fund (Fund 5CV1). For all appropriations 279
made in this section, the amounts in the first column are for 280
fiscal year 2020 and the amounts in the second column are for 281
fiscal year 2021. The appropriations made in this section are in 282
addition to any other appropriations made for the FY 2020-FY 283
2021 biennium. 284

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A	OBM OFFICE OF BUDGET AND MANAGEMENT			
B	Dedicated Purpose Fund Group			
C	5CV1	042623	Coronavirus Relief - \$	0 \$ 650,000,000
			Local Govt	
			Distribution	
D	TOTAL	DPF Dedicated Purpose Fund	\$	0 \$ 650,000,000
		Group		
E	TOTAL ALL BUDGET FUND GROUPS		\$	0 \$ 650,000,000

Amounts appropriated in line item 042623, Coronavirus Relief - Local Govt Distribution, are to be distributed and used as specified in Section 1 of this act.

Within the limits set forth in this act, the Director of Budget and Management shall establish accounts indicating the source and amount of funds for each appropriation made in this act, and shall determine the form and manner in which appropriation accounts shall be maintained. Expenditures from appropriations contained in this act shall be accounted for as though made in H.B. 166 of the 133rd General Assembly.

The appropriations made in this act are subject to all provisions of H.B. 166 of the 133rd General Assembly that are generally applicable to such appropriations.

Section 6. This act is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, and safety. The reason for such necessity is to address the financial impact to governments of the COVID-19 pandemic. Therefore, this act shall go into immediate effect.