



OHIO LEGISLATIVE SERVICE COMMISSION

Bill Analysis

Helena Volzer

H.B. 715

132nd General Assembly
(As Reported by H. State and Local Government)

Reps. Schuring, West, Anielski, Hambley, Holmes, Arndt, Boyd, Hill, Perales

BILL SUMMARY

- Authorizes a municipal corporation, in each fiscal year, to use up to 5% of the gross amount of money deposited in a municipal corporation's water fund or sewer fund for the preceding fiscal year to extend water or sewer service when the extension is for economic development purposes.
- Prohibits a municipal corporation from exceeding the 5% limitation.

CONTENT AND OPERATION

Water and sewer funds

The bill authorizes a municipal corporation to use up to 5% of the gross amount of money deposited in the municipal corporation's water fund or sewer fund for the preceding fiscal year in order to extend water or sewer service when the extension is for economic development purposes. The bill prohibits municipal corporations from exceeding this 5% limitation.¹

Current law requires a municipal corporation to establish a separate and distinct sewer fund and water-works fund into which money collected from sewer and water rates must be respectively deposited.² The Ohio Supreme Court has upheld the General Assembly's constitutional authority to limit a municipal corporation's use of money

¹ R.C. 729.52(B) and 743.06(B).

² R.C. 729.52 and 743.06, not in the bill.

deposited in the municipal corporation's water and sewer fund under Article XVIII, Section 13 of the Ohio Constitution.³

HISTORY

ACTION	DATE
Introduced	07-24-18
Reported, H. State and Local Gov't	11-28-18

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³ *Franklin v. Harrison*, 171 Ohio St. 329, 170 N.E.2d 739 (1960); *but see Mead-Richer v. Toledo*, 114 OhioApp. 369, 182 N.E.2d 846 (6th Dist. 1961) and 1961 Ohio Atty. Gen. Ops. No. 2078.

