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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

S.B. 357
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 357's Bill Analysis](#)

Version: As Introduced

Primary Sponsor: Sen. Dolan

Local Impact Statement Procedure Required: No

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Highlights

Fund	FY 2021	FY 2022	Future Years
Coronavirus Relief Fund (Fund 5CV1)			
Revenues	\$0	\$0	\$0
Expenditures	Increase of \$650 million	\$0	\$0
County coronavirus relief distribution funds			
Revenues	Gain of \$650 million	\$0	\$0
Expenditures	Increase of \$650 million	\$0	\$0

Note: The state or school district fiscal year runs from July 1 through June 30 and is designated by the calendar year in which it ends. For other local governments, the fiscal year is identical to the calendar year.

- The bill appropriates \$650 million of federal aid, so that the Director of the Office of Budget and Management (OBM) can distribute funding to county coronavirus relief distribution funds. The aid is to be distributed from these funds to the local coronavirus relief fund of each eligible county, municipality, and township.
- The purpose of the distribution is to assist local governments in addressing the public health emergency caused by COVID-19. The \$650 million has already been received in the Coronavirus Relief Fund (Fund 5CV1).

- The bill specifies that the distribution of the funds is to be calculated based on the population of each eligible subdivision as a share of the total population of all eligible subdivisions.
- Unexpended balances must be returned to OBM by December 28, 2020. Each county must report to OBM their distribution of funds to political subdivisions. The Auditor of State is required to audit each subdivision's coronavirus relief fund during its next regularly scheduled audit to determine if expenditures were made in accordance with law.

Detailed Analysis

Coronavirus Relief Fund

The Controlling Board on April 13, 2020, created the Coronavirus Relief Fund (Fund 5CV1) in the state treasury to distribute federal funding for necessary expenditures incurred by the state due to the public health emergency caused by the COVID-19 pandemic. This money is from the Coronavirus Aid, Relief, and Economic Security (CARES) Act that was passed by Congress and signed into law on March 27, 2020. The bill appropriates \$650 million from Fund 5CV1 for FY 2021, to be distributed to eligible subdivisions. This appropriation is in addition to \$350 million of CARES Act funding appropriated in H.B. 481 of the current General Assembly, and \$175 million provided via Controlling Board action on August 24, 2020.¹

For purposes of the bill, any county, municipal corporation, or township that did not receive a direct federal payment under the CARES Act is an eligible subdivision. The subdivisions that received these direct payments are the city of Columbus and Cuyahoga, Franklin, Hamilton, Montgomery, and Summit counties. These political subdivisions are not eligible for the payments provided by S.B. 357. Please note, however, that municipalities and townships within these counties, other than the city of Columbus, are eligible for payments under the bill.

The Director of the Office of Budget and Management (OBM) is to provide for payment from Fund 5CV1 to each county treasury, to be deposited in the county's coronavirus relief distribution fund created as directed by H.B. 481. The Fund 5CV1 amount disbursed to each county's respective coronavirus relief distribution fund is based upon the proportion of the sum of populations of eligible subdivisions in that county to the population of all eligible subdivisions statewide. A municipal corporation with territory in more than one county is considered for purposes of this calculation to be located in the county where more of its population resides than in any other county. Township population in these calculations includes only persons residing in unincorporated areas of the township.

Once the Coronavirus Relief Fund money is paid to county coronavirus relief distribution funds, each county is to further divide the money among local coronavirus relief funds of municipalities, townships, and the county, excluding subdivisions not eligible. These funds were also to be created at the direction of H.B. 481. The distribution of money within each county is to be based on the population of each eligible subdivision relative to the sum of the populations

¹ Though the \$350 million and the \$175 million were also to be distributed to the same pool of eligible political subdivisions, the formula for distributing that money differed from the formula provided in S.B. 357.

of all eligible subdivisions in the county. Use of the money is limited by the CARES Act, to costs necessitated by the COVID-19 public health emergency, that were not accounted for in budgets as of March 27, 2020, and that are incurred between March 1 and December 30, 2020.

Auditor of State duties

Use of the money is to be audited by the Auditor of State during each subdivision's next regular audit. The Auditor is to determine if the money distributed to the subdivision's coronavirus relief fund was used solely for costs permissible under the CARES Act, described above.

Unexpended balances

Subdivisions are required to return to the county treasury any CARES Act funding that remains unencumbered as of October 15, 2020. Returned revenue is then redistributed to the county, townships, and municipalities in the county, excluding any subdivision not eligible or that returned its funds. One-quarter of the returned revenue is paid to the county, if eligible, and the remainder to the other eligible municipalities and townships based on each subdivision's population relative to the population of all such subdivisions. These transactions are to be reported to the OBM Director.

No later than December 28, 2020, any unspent balance of a political subdivision's local coronavirus relief fund must be returned to the state treasury, in the manner prescribed by the OBM Director. Money not used for the purposes specified in the CARES Act by December 30, 2020, is subject to recoupment by the federal government.

Emergency provision

S.B. 357 declares itself an emergency measure, therefore goes into immediate effect upon enactment.

Appendix

Estimated Payments to County Coronavirus Relief Distribution Funds

Estimated County Coronavirus Relief Distribution Fund Payments under S.B. 357	
County	Estimated Payments
Adams	\$1,996,236
Allen	\$7,376,589
Ashland	\$3,854,672
Ashtabula	\$7,008,304
Athens	\$4,708,214
Auglaize	\$3,290,496
Belmont	\$4,829,222
Brown	\$3,130,209
Butler	\$27,613,038
Carroll	\$1,939,732
Champaign	\$2,802,500
Clark	\$9,663,561
Clermont	\$14,877,573
Clinton	\$3,024,696
Columbiana	\$7,342,859
Coshocton	\$2,637,816
Crawford	\$2,990,534
Cuyahoga	\$44,506,739
Darke	\$3,683,790
Defiance	\$2,744,987
Delaware	\$14,767,376
Erie	\$5,352,461
Fairfield	\$10,970,362
Fayette	\$2,055,839
Franklin	\$15,764,809
Fulton	\$3,036,084
Gallia	\$2,154,793
Geauga	\$6,749,423
Greene	\$12,175,541

Estimated County Coronavirus Relief Distribution Fund Payments under S.B. 357	
County	Estimated Payments
Guernsey	\$2,801,779
Hamilton	\$29,458,248
Hancock	\$5,461,794
Hardin	\$2,260,522
Harrison	\$1,083,955
Henry	\$1,946,363
Highland	\$3,110,678
Hocking	\$2,037,029
Holmes	\$3,168,263
Huron	\$4,199,317
Jackson	\$2,336,053
Jefferson	\$4,708,070
Knox	\$4,491,639
Lake	\$16,587,181
Lawrence	\$4,285,587
Licking	\$12,746,708
Logan	\$3,291,649
Lorain	\$22,330,126
Lucas	\$30,871,678
Madison	\$3,223,830
Mahoning	\$16,481,524
Marion	\$4,691,349
Medina	\$12,954,562
Meigs	\$1,650,942
Mercer	\$2,967,327
Miami	\$7,710,712
Monroe	\$984,064
Montgomery	\$19,159,737
Morgan	\$1,045,613
Morrow	\$2,546,142
Muskingum	\$6,213,643
Noble	\$1,039,559
Ottawa	\$2,920,697

Estimated County Coronavirus Relief Distribution Fund Payments under S.B. 357	
County	Estimated Payments
Paulding	\$1,345,719
Perry	\$2,604,231
Pickaway	\$4,213,083
Pike	\$2,001,569
Portage	\$11,709,166
Preble	\$2,946,427
Putnam	\$2,440,413
Richland	\$8,731,749
Ross	\$5,525,433
Sandusky	\$4,217,479
Scioto	\$5,427,992
Seneca	\$3,976,761
Shelby	\$3,501,954
Stark	\$26,710,126
Summit	\$19,495,806
Trumbull	\$14,268,281
Tuscarawas	\$6,629,640
Union	\$4,251,353
Van Wert	\$2,037,821
Vinton	\$943,055
Warren	\$16,908,115
Washington	\$4,317,875
Wayne	\$8,339,392
Williams	\$2,644,447
Wood	\$9,428,176
Wyandot	\$1,569,140
Grand Total	\$650,000,000

Note: County estimates may not sum to total due to rounding.