



OHIO LEGISLATIVE SERVICE COMMISSION

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Fiscal Note & Local Impact Statement

Bill: H.B. 122 of the 132nd G.A.

Status: As Passed by the Senate

Sponsor: Reps. Hambley and Rogers

Local Impact Statement Procedure Required: No

Subject: Creates the Regional Economic Development Alliance Study Committee and makes other changes

State & Local Fiscal Highlights

Regional Economic Development Alliance Study Committee

- The bill establishes a study committee to deal with economic development alliances and requires the committee to complete a report within a year of the effective date of the bill. It could result in some negligible administrative expenses for the House of Representatives, the Senate, and the Governor's Office.

Fire and police levies

- A city or village would be allowed to enact a single property tax levy for both fire and police purposes.
- The bill would ratify a fire levy approved for a ten-year term at the November 2017 general election.

Liquor permit changes

- The bill modifies the qualifying criteria for D-5j liquor and D-5l liquor permits, allowing for the issuance of additional such permits. It will result in a possible gain in liquor permit fee revenue (\$2,344 per permit) for the Department of Commerce's Division of Liquor Control.

Detailed Fiscal Analysis

Regional Economic Development Alliance Study Committee

The bill creates the Regional Economic Development Alliance Study Committee. This could result in some negligible administrative expenses for the House of Representatives, the Senate, and the Governor's Office. Any new such expenses would likely be absorbed within existing operating budgets. The study committee is to study the features, benefits, and challenges involved in establishing economic development alliances that would enhance collaboration and success of regional economic development efforts, sharing of services, and the mobilization of resources. The study committee is composed of 11 voting members: (1) three members of the House of Representatives, (2) three members of the Senate, (3) the Governor or the Governor's

designee, (4) two representatives from academia, and (5) two economic development professionals. Additionally, the study committee is to have six nonvoting members who represent various economic development, regional government, and related interests.

Extension of levy authority for combined fire and police property tax

The bill would extend to a municipal corporation the authority to levy a single property tax for both fire and police purposes. Currently, only a township may levy such a property tax. In addition, the bill applies this change to tax levies approved by voters at any time including prior to the effective date of the bill if enacted.

This provision of the bill would increase the flexibility with which cities and villages could make use of revenues from property taxes enacted to fund fire and police purposes.

Ratification of a levy

The bill would ratify a fire levy approved by voters in Yorkville, Ohio, at the November 7, 2017, general election for a stated term of ten years. This property tax is to be levied for ten years, notwithstanding provisions of R.C. 5705.19 that limit the term of such a levy to no more than five years or a continuing period of time.

This provision of the bill would allow an enacted property tax to be levied for its stated term.

Liquor permit changes

The bill modifies the qualifying criteria for D-5j liquor permits (restaurants in community entertainment districts) and D-5l liquor permits (restaurants in community revitalization districts) in a way that allows for additional such permits to be issued. Under existing law, one of the qualifying criteria for a D-5j permit is that the municipality be one that was incorporated as a village before 1860 and currently contains a historic district. The bill changes the date to before 1880. Doing so allows for additional permits to be issued in the city of Loveland, and possibly other municipalities. Qualifying counties meeting population criteria added in the bill for the D-5l permit allows for the issuance of additional such permits in the cities of Medina and Delaware. The fee for each type of permit is \$2,344. Any additional liquor permit fee revenue received as a result of these changes is deposited into the Undivided Liquor Permit Fund (Fund 7066). The revenue is subsequently distributed so that 45% of the permit revenue goes to the State Liquor Regulatory Fund (Fund 5LP0) for the Division of Liquor Control within the Department of Commerce, 35% goes to the local taxing district where the permit is issued, and 20% goes to the Statewide Treatment and Prevention Fund (Fund 4750) used by the Department of Mental Health and Addiction Services.