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H.B. 456
136th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsor: Rep. Callender

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SUMMARY

- Extends a savings clause, allowing a municipal corporation that meets certain distress criteria to amend its community reinvestment area (CRA) authorizing law two additional times without triggering application of newer CRA law.

DETAILED ANALYSIS

Community reinvestment areas

Ohio law authorizes counties, municipal corporations, and home-rule townships to designate community reinvestment areas (CRAs) within their borders. Residential, commercial, and industrial development projects in CRAs may be exempted from property tax for a period of time that varies based on the terms specified in the authorizing resolution and which provisions of law apply.

Different law may apply to different CRAs because Ohio's CRA law was substantially amended in 1994 but the amending legislation, S.B. 19 of the 120th General Assembly, included an uncoded savings clause for existing CRAs. The savings clause did the following:

- Allowed the pre-amendment CRA law to apply to property tax exemptions granted under CRAs in existence on July 1, 1994;
- Allowed the pre-amendment CRA law to apply to an ordinance or resolution authorizing a CRA that was in existence on or before July 1, 1994, through the first two amendments to that ordinance or resolution.¹

Since the enactment of S.B. 19, the General Assembly has enacted and several times amended a codified section of law to define what does and what does not count as an

¹ Section 3 of S.B. 19 of the 120th General Assembly.

amendment for purposes of this savings clause. Items that are considered amendments include modifications to authorizing ordinances or resolutions that expand the size or duration of a CRA. Items that are not considered amendments include modifications that recognize or confirm a previously granted tax exemption, restrict exemption availability, or clarify ambiguities or correct defects in previously enacted ordinances or resolutions.

The bill, through an amendment to this codified provision, expands the savings clause contained in S.B. 19 in certain instances to allow pre-1994 CRA law to continue to apply even if an additional two amendments are made. In other words, the pre-1994 law would apply through the first four amendments to a CRA's authorizing resolution. This extension only applies for a CRA created by a municipal corporation that is an "impacted city" at the time the CRA resolution is amended.² To be classified as an impacted city, a municipal corporation must have taken certain actions to deal with economic issues or problems from urbanization, e.g., permitting housing constructed by a metropolitan housing authority or entering into a program to mitigate blight, or have been declared a major disaster area and have been extensively damaged by the disaster.³

HISTORY

Action	Date
Introduced	09-17-25

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² R.C. 3735.661(C).

³ R.C. 1728.01, not in the bill.