



www.lsc.ohio.gov

# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

**H.B. 309**  
**136<sup>th</sup> General Assembly**

## Fiscal Note & Local Impact Statement

[Click here for H.B. 309's Bill Analysis](#)

**Version:** As Passed by the Senate

**Primary Sponsor:** Rep. D. Thomas

**Local Impact Statement Procedure Required:** No

Kyuhan Choi, Economist

### Highlights

- The bill updates county budget commission procedures to enhance oversight and levy adjustments. The fiscal effect is indeterminate.

### Detailed Analysis

The bill revises the authority and rules for county budget commissions (CBCs) regarding property tax levies. Under the bill, CBCs are prohibited from reducing a voted levy in its first year, unless the levy is a renewal, or the subdivision requests a lower rate for the next fiscal year. Such requests apply only to the next year unless expressly stated as permanent.

The bill allows a CBC to reduce millage on any voter-approved levy, excluding debt levies, if the CBC determines the revenue is “unnecessary or excessive,” both of which are defined in the bill. A CBC cannot reduce a school district’s operating levies below 20 mills and cannot reduce any levy collected by a majority-elected body below the prior year’s revenue unless offset by reserve balances, nonexpendable trust funds, or carryover amounts, which the CBC must consider. Additionally, the bill prevents a school district from losing state education funding if the request results in the district levying total current expense levies of less than 20 mills.

The Tax Commissioner is required to annually certify rate adjustments for nondebt fixed-sum levies, and county auditors must apply these rates.

The bill provides CBCs greater discretion in reducing political subdivisions’ property tax collections when the CBC finds it prudent to avoid unnecessary or excessive property tax collections. Any fiscal impact will depend on how each of the 88 county budget commissions exercises this discretionary authority. Because of this uncertainty, LBO is not able to provide a reliable estimate of the magnitude or frequency of any revenue reductions that may result under

the bill. Additionally, the bill expands review authority for CBCs, but these provisions largely reflect existing practices, resulting in only minimal fiscal impact.