



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: S.B. 185 of the 131st G.A.

Date: September 28, 2015

Status: As Introduced

Sponsor: Sen. Seitz

Local Impact Statement Procedure Required: No

Contents: Modifies the laws governing special improvement districts, permits a port authority to contract with an energy special improvement district, and expands what qualifies as an energy special improvement project

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

S.B. 185 modifies some of the laws governing special improvement districts created for the development and implementation of plans for special energy improvement projects. Under the bill, these districts are renamed "energy special improvement districts." Two of the more notable changes made by the bill are: (1) it permits a port authority to cooperate and contract with an energy special improvement district, and (2) it states that each owner of real property within an energy special improvement district is also a member of the nonprofit corporation governing the district.

The bill permits one or more property owners to petition political subdivisions for the creation of an energy special improvement district. The petition must be signed by 100% of the property owners in the proposed district. The district must be for developing and implementing plans for special energy improvement projects on any type of property. At least one project must be designated for each parcel of real property within the district. To pay for the projects, the participating political subdivisions must levy a special assessment on all real property in the district. The special assessment cannot be levied for more than 30 years from the first day of the year in which the special assessment is first imposed. The bill also permits property owners to petition a municipality or township for special assessments to pay the costs of the development and implementation of a special energy improvement project without creating an energy special improvement district.

The person (or persons) proposing the development of an energy special improvement district or a special energy improvement project can cooperate and contract with any port authority having jurisdiction over the parcels upon which the district or project will be developed and implemented. The cooperation provided by the port authority can include financing via loans or grants; issuing bonds; notes; or other obligations; or providing other financial assistance.

The provisions in S.B. 185 may facilitate the formation of additional special improvement districts, but they have no fiscal effect. The power of political subdivisions to levy a special assessment is limited, due to the 100% agreement threshold required of a petition forming a district. The bill contains a number of other provisions that relate to formation of new energy special improvement districts that, like the provisions described above, have no fiscal effect.