



Ohio Legislative Service Commission

Sub. Bill Comparative Synopsis

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H.B. 72

131st General Assembly
(H. Public Utilities)

This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Topic	H.B. 72 (As Introduced)	Sub. Version (L-131-2874-2)
Renaming and recodification: energy special improvement districts	Renames special improvement districts created prior to the bill's effective date for the development and implementation of plans for special energy improvement projects as " <i>energy special improvement districts</i> ," and recodifies or recreates provisions of existing law governing those existing districts and any such districts created only on nonresidential property on and after the bill's effective date (<i>R.C. 1710.01 to 1710.37</i>).	No provision.
Property-owner created energy special improvement districts	Establishes a special process for nonresidential property owners to create an energy special improvement district without assistance from a port authority (<i>R.C. 1710.20 to 1710.28</i>).	No provision.

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Special energy improvement projects without a special improvement district	No provision.	<p>Permits any property owners to petition municipal corporations or townships for authority to develop and implement certain special energy improvement projects for energy efficiency improvements (limited to \$1 million in costs per project) and for special assessments to pay for the costs of those projects, without creating a special improvement district.</p> <p>Contains provisions governing this petition process, the special assessments, and the development, financing, management, and implementation of these projects.</p> <p>Permits a port authority individually or with one or more other port authorities to participate with the property owners regarding the development, financing, management, and implementation of these projects.</p> <p><i>(R.C. 1710.01(K), 1710.20 to 1710.28, 4582.06, and 4582.31.)</i></p>
Port-authority created districts	Permits a port authority to create and govern an energy special improvement district and establishes requirements for creation and governance of the district <i>(R.C. 1710.30 to 1710.37, 4582.06, and 4582.31).</i>	Permits a port authority to create and govern a special improvement district created for the development and implementation of plans for special energy improvement projects and generally subjects the creation and governance of the district to continuing special improvement district law <i>(R.C. 1710.02(A)(1)(c), 4582.06, and 4582.31).</i>
Existence of port authority prior to district creation	No provision.	Requires a port authority creating a special improvement district to have existed prior to the district's creation <i>(R.C. 1710.02(A)(1)(c)).</i>



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Plan required for district creation	Requires the person or persons proposing the creation of a port-authority created energy special improvement district to submit to the port authority a written plan for the special energy improvement projects, and requires the plan to include various provisions, such as a description of the projects, which projects are designated for each property, and the method of assessment to be used (<i>R.C. 1710.31(A) and 1710.32(A)</i>).	Permits, but does not require, a plan to be submitted for the creation of a port-authority created special improvement district (<i>R.C. 1710.02(F)</i>).
Agreement required	No provision.	Requires a port authority that creates a special improvement district to enter into a written agreement with every municipal corporation or township that has territory in the district, and requires the agreement to include provisions addressing district governance (<i>R.C. 1710.023</i>).
Approval of district creation	Requires that the creation of a port-authority created energy special improvement district be approved (or disapproved) by the port authority's board of directors, in addition to each municipal corporation and township located within the district (<i>R.C. 1710.33(A)(1) and 1710.34(A)</i>).	Requires that the creation of a port-authority created special improvement district be approved (or disapproved) in accordance with continuing law by the legislative authority of each municipal corporation or township in which the proposed district is to be located (<i>R.C. 1710.02(E)</i>).
Bylaws	Requires that if the port authority is to govern a port-authority created energy special improvement district, the port authority must prepare bylaws for the district (<i>R.C. 1710.33(A)(2)</i>).	No provision.

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Addition of territory	Permits territory to be added to a port-authority created energy special improvement district upon approval of a petition by 100% of the nonresidential property owners of the additional territory and a plan that designates at least one special energy improvement project for each parcel of property and that complies with other plan requirements under the bill (<i>R.C. 1710.37</i>).	Requires, in accordance with continuing law, that the addition of territory be authorized by a plan, but no petition is required (<i>R.C. 1710.02(A)(2)(b)</i>).
Notice to property owners and political subdivisions	Requires the port authority that creates an energy special improvement district to notify the property owners that submitted the petition and plan and any participating municipal corporation or township located within the district of the approval of the district's creation, and requires the port authority to include with the notice certain documents and statements (<i>R.C. 1710.33(C)</i>).	No provision.
Types of special energy improvement projects	Expands the definition of "special energy improvement project" to include the following: <ul style="list-style-type: none"> • A waste heat recovery project; • A hydroelectric project; • A water efficiency project; • A combined heat and power project; • A fuel source conversion project; • A cogeneration project; and • A biodigester project (<i>R.C. 1710.01(I) and (O)</i>). 	No provision.
Electric laws not superseded	No provision.	Specifies that activities relating to special energy improvement projects do not supersede: <ul style="list-style-type: none"> • Continuing law governing the certified territories of electric suppliers; or

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		<ul style="list-style-type: none"> Any state or federal law relating to the provision of electric service or the regulation of electric light companies that operate their utilities not for profit or public utilities (<i>R.C. 1710.02(E)(5)</i>).
Public-utility operations	No provision.	Specifies that the board of directors of a special improvement district created for the development and implementation of special energy improvement projects is not authorized and must not operate as an electric light company or a public utility for any purpose related to the projects. Specifies that the bill and continuing law do not authorize an owner of any kind of real property participating in a district described above or a participating political subdivision that has territory within such a district to operate as an electric light company or a public utility for any district purpose. (<i>R.C. 1710.022.</i>)
Deemed approval of district filings	States that if the petition, plan, and articles of incorporation for a special improvement district are not approved within 60 days, then they are deemed approved (<i>R.C. 1710.02(E) and 1710.06(B)</i>).	No provision.
Use of assessments re: port-authority created special improvement district	Specifies that the use of special assessments levied to benefit property owners within a port-authority created energy special improvement district does not constitute expenditures made with public funds (<i>R.C. 1710.34(C)</i>).	No provision.

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District members: persons and entities excluded	Excludes from energy special improvement district membership any person or entity other than an owner of nonresidential property (<i>R.C. 1710.30 and 1710.36</i>).	Prohibits state or federal government property owners from being port-authority created special energy improvement district members. Exempts churches, counties, townships, and municipal corporations from being district members unless they make written requests for inclusion. (<i>R.C. 1710.03(A)</i> .)
Membership on the board of directors for local government officials	No provision.	Requires that municipal executives and appointees of legislative authorities be members of the district's board of directors, but allows that this requirement may either be waived or satisfied by membership on the governing nonprofit corporation's or port authority's governing board of representatives (<i>R.C. 1710.04(A)(2)(b) and (A)(4)(d)</i>).
Dissolution of districts	No provision.	Permits the dissolution or repeal of the improvements or services plan of a port-authority created energy special improvement district by district members using a dissolution/winding up process or plan repeal process initiated by district member petition (<i>R.C. 1710.13</i>).
Condominium property within special improvement districts	No provision.	Creates a special voting process for each of the following regarding a special improvement district that includes condominium property: <ul style="list-style-type: none"> • Inclusion of the property in a proposed district; • Approval of the district plan; • Repealing an improvements or services plan of the district; • Dissolution of the district. (<i>R.C. 1710.01(P), 1710.02(E)(3), 1710.06(B)(2)(b), and 1710.13(B)(2) and (C)</i> .)

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Reference to "assessments"	Removes a reference to "assessments" in a provision that refers to the application of proceeds of "any assessments, bonds, or notes issued to fund any public improvements" of special improvement districts other than energy special improvement districts, thereby clarifying that the provision applies only to the application of proceeds from bonds and notes issued in anticipation of any special assessment imposed to benefit a special improvement district that is not an energy special improvement district (<i>R.C. 1710.12</i>).	No provision.
Proceeds of assessments, bonds, or notes	No provision.	Requires that all proceeds of any assessments, bonds, or notes issued to fund any special energy improvement project first be applied by the political subdivision to payment of those bonds or notes and any interest on them, and requires that any remaining proceeds be turned over to the treasurer of the district and deposited in a district account to be used for the purposes of the assessment or the purposes for which the bonds or notes were issued (<i>R.C. 1710.12, not in the bill</i>).
Reliance on special energy improvement projects prohibited	No provision.	Requires that any special energy improvement project be in addition to, and not in lieu of, any public improvement or service provided by any political subdivision participating in a special improvement district, and prohibits a subdivision from substituting or relying on the project to reduce or not increase any public improvement or service provided to the area (<i>R.C. 1710.08, not in the bill</i>).

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Contracting with community improvement corporations	No provision.	Permits a port-authority created special improvement district to contract with a community improvement corporation to develop, manage, or implement part or all of any district plan (<i>R.C. 1710.09, not in the bill</i>).
Contracting with persons, political subdivisions, and state agencies	Permits a nonprofit corporation or port authority governing a port-authority created energy special improvement district to contract with any person, political subdivision, or state agency to develop and implement plans for special energy improvement projects (<i>R.C. 1710.35(A)(2)</i>).	Permits a port-authority created special improvement district to contract with any person, political subdivision, or state agency to develop, implement, or <i>manage</i> part or all of any district plan (<i>R.C. 1710.09, not in the bill</i>).
Member option for a portion of project cost	No provision.	Requires, with a limited exception, that before contracting to implement a district plan with a person, community improvement corporation, political subdivision, or state agency, the district must permit any district member whose property may be assessed under the plan to provide for the relevant portion of the special energy improvement project that is on that member's property at a cost to the district no greater than what the district determines to be the lowest cost allocable to the project (<i>R.C. 1710.09, not in the bill</i>).
Limitation on costs charged by a political subdivision	No provision.	Requires that a participating political subdivision, when contracting to provide special energy improvement projects to a district, charge only its additional cost of providing the projects, without any allocation of overhead costs, fixed costs, or assignment of costs at rates higher than those at which the subdivision assigns costs for similar projects (<i>R.C. 1710.10(A), not in the bill</i>).

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Contributions for downtown redevelopment districts	No provision.	Permits the board of directors of a port-authority created special improvement district in which all or part of a downtown redevelopment district is located to accept contributions from the municipal corporation that created the downtown redevelopment district, and contains other provisions governing the contributions (<i>R.C. 1710.14, not in the bill</i>).

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