PLF Update
The Ohio Department of Taxation (ODT) posted the December 2023 Public Library Fund (PLF) distribution of $44,150,436 – which is $1.3 million (+ 3.02%) above ODT’s estimates issued in December 2022.

This brings the calendar year (CY) 2023 total to $510,185,923, which is $16.6 million (+ 3.37%) more than ODT’s estimate and $7.8 million (+ 1.55%) more than the CY 2022 total distribution.

Big picture takeaways:
- 2023 Total Distribution is $45.78 million (+ 9.86%) more than 2021
- 2023 Total Distribution is $100.78 million (+ 24.62%) more than 2020

According to the Office of Budget and Management (OBM), overall state tax receipts for the month of November came in $26.1 million (or + 1%) above estimates. So far, State Fiscal Year 2024 tax collections are about $245 million (+ 2.1%) above estimates.

A look at the PLF distribution for the past three years and a link to an Excel spreadsheet listing each county’s distribution total for December 2023 can be found on the [http://olc.org/funding/](http://olc.org/funding/).

An update on the January 2024 PLF distribution will be provided at the board meeting.

CY 2024 PLF Certification Update
The Ohio Department of Taxation (ODT) posted the December update to the Calendar Year 2024 (CY24) Public Library Fund (PLF) Certification. As a reminder, the Public Library Fund (PLF) receives 1.7% of the state’s General Revenue Fund (GRF) tax resources. The official updated statewide PLF estimate of $486,742,158 is $5 million less than the initial estimate of $491,781,756 that was provided in July 2023. According to ODT, the estimates reflect the current best projection of state tax revenues for CY24.


Please double-check your county estimated entitlement for the PLF and read it carefully. As required by state statute, in June 2024, ODT will issue a final updated entitlement estimate for CY24.

**Joint Committee on Property Tax Review and Reform**
This joint legislative committee was a provision in the state budget bill (HB 33) which passed last June. The committee is made up of five Senators and five Representatives who are authorized to hold hearings and make recommendations on pending legislation related to property taxation. A final report from the committee must be submitted to the General Assembly by December 31, 2024, making recommendations on reforms to property tax law. The committee is being co-chaired by Rep. Bill Roemer (R-Richfield) and Sen. Louis Blessing (Colerain Twp.). In addition to the co-chairs, the committee comprises Sen. George Lang (R-West Chester Twp.), Sen. Sandra O’Brien (R-Rome), Sen. Hearcel Craig (D-Columbus), Sen. Bill DeMora (D-Columbus), Rep. Dan Troy (D-Willowick), Rep. Tracy Richardson (R-Marysville), Rep. Tom Young (R-Dayton) and Rep. Bride Rose Sweeney (D-Cleveland). More will be discussed at the board meeting.

**SB 91 - Reporting of Fraud, Waste and Abuse**
Senate Bill (SB) 91 requires certain public officials and employees that become aware of fraud, theft in office, or misuse or misappropriation of public money to notify the Auditor through the Auditor of State’s fraud-reporting system. These “mandatory reporters” would include any person who is elected or appointed, or has a fiduciary duty, or holds a supervisory position, or is employed in the department or office responsible for processing any expenses of the local public office.

Additionally, the bill prohibits political subdivisions or taxing authorities from making any expenditures of money unless the fiscal officer of the subdivision or taxing authority certifies the following:
- The expenditure has been appropriated in accordance with the tax levy law;
- The expenditure has been appropriated by the subdivision’s legislative authority; and
- The expenditure is not compelled by a process authorized by a vote of the subdivision’s residents.

Language from an earlier version of SB 91 that requires the State Auditor to create fraud training materials was included in the state budget bill (HB 33). SB 91 passed both chambers and was signed into law by Gov. DeWine on Dec. 28, 2023.

**Issue 2 – Marijuana Law**
The initiated statute legalizing adult use marijuana, State Issue 2, technically became effective on Dec. 7, 2023. However, legislation is currently being debated at the Statehouse that would make several changes to the new law, including increasing the excise tax from 10%-15%, altering the tax distribution, reducing THC content limits, modifying home grow provisions, and prohibiting public consumption.

In addition, Issue 2 includes provisions that establish the Division of Cannabis Control within the Department of Commerce which will regulate and license where marijuana can be commercially cultivated, tested and sold. This regulatory process is expected to take 6-10 months.

6.F.1: Government and Legal Services Report
Most importantly for employers (including public libraries), the new law protects the employers’ ability to manage their workplaces and employees like the employer protections in the Ohio Medical Marijuana Law. This means that:

- An employer is not required to permit or accommodate employees’ use, possession, or distribution of cannabis.
- An employer may refuse to hire and may discharge, discipline, or take other adverse employment action against a person because they use, possess, or distribute cannabis.
- A person may not sue an employer for refusing to hire or for discharging, disciplining, discriminating, retaliating, or otherwise taking adverse employment action against them related to their cannabis use.
- An employer may establish and enforce a drug testing policy, drug-free workplace policy, or zero-tolerance drug policy.
- The Ohio Bureau of Workers’ Compensation may continue to grant rebates or discounts on premium rates to employers participating in the Bureau’s drug-free workplace program.
- A person who is terminated because they used cannabis is considered to have been discharged for “just cause” under the Unemployment Compensation Law if that use violated an employer’s drug-free workplace policy, zero-tolerance policy, or other formal program or policy. This means the person will be ineligible to serve a waiting week or receive unemployment benefits for the duration of the unemployment.
- Issue 2 does not interfere with any federal restrictions on employment, including U.S. Department of Transportation regulations.

The legislation seeking to revise the language passed in Issue 2 continues to be debated in the statehouse.

House Bill 187 – Property Taxes

HB 187 is legislation seeking to counter the significant increases in local property values. Originally, the legislation sought to put a pause on these valuation increases over the next three years. However, due to the complexity of temporarily changing the property valuation process, which opponents claimed would create harmful unintended consequences and a lack of uniformity around the state for conducting property appraisals or reappraisals, the Senate moved forward with a substitute version of the bill offering a temporary expansion of the Homestead Exemption.

HB 187, as passed by the Senate, increases the income eligibility amount for seniors and disabled from $36,100 to $75,000. According to the Senate, increasing the exemption amount and expanding eligibility will help provide direct tax relief to those most impacted by rising property valuations. Factors considered for an individual to qualify for the increased homestead exemption will include the following:

- a household income at or below $75,000, and
- at least one of the homeowners must be 65 years or older, or
- permanently and totally disabled, or
- the surviving spouse of someone who is otherwise qualified and is at least 59 years of age.

Loss of revenue to local governments due to the expansion of the homestead exemption will be covered 100% by the State, except for local school districts which will be reimbursed for 50% of the cost. The bill includes an emergency clause which will make it effective
immediately upon signing by the governor. The House did not act on the bill as passed by the Senate prior to recessing for the holiday break and awaits further consideration.

**HB 344 – Replacement Levies**

HB 344 is recent legislation introduced by Reps. Mathews (R-Lebanon) and Hall (R-Middletown) seeking to eliminate the authority of political subdivisions to levy replacement property tax levies beginning with elections held on or after Oct. 1, 2024. The rational for eliminating this option is to alleviate voter confusion over whether they are the same as a renewal levy. This provision was previously included in HB 33, as passed by the House, but taken out of the budget bill while being considered in the Senate.

**HB 257 - Virtual Meetings Bill**

HB 257 is legislation sponsored by Rep’s Hoops (R-Napoleon) and Claggett (R-Newark) to provide certain public boards, including library boards, with the opportunity to have virtual meetings. Since its introduction a few amendments have been added to help clarify certain provisions of the bill. One of the changes includes a requirement for public bodies to define in their virtual meeting policy what would constitute a “major nonroutine expenditure” or “significant hiring decision,” which are factors that can trigger a requirement to meet in person.

Another change requires a virtual meeting notification to be distributed 72 hours prior to the meeting with an agenda. Objections to agenda items must be sent to the president of the board at least 48 hours before the meeting. If two or more members or the board object to an agenda item, the issue can be discussed, but the public body cannot take action on that item during the virtual meeting. HB 257 was voted out of the House chamber and now awaits further action in the Ohio Senate. Currently, trustees of library boards are still required to have their meetings in-person.

**OLC Library Legislative Day – Save the Date!**

This year’s Library Legislative Day is scheduled for Wednesday, April 24 at the Sheraton on Capitol Square. More information about this year’s event will be discussed at the board meeting.