



Ohio Revised Code

Section 118.02 Requiring fiscal integrity of municipal corporations, counties, and townships.

Effective: September 3, 1996

Legislation: House Bill 462 - 121st General Assembly

(A) Pursuant to the authority of the general assembly to provide for the public health, safety, and welfare and to limit and restrict the powers of municipal corporations, counties, and townships to borrow money, contract debts, and levy taxes to prevent the abuse of such powers and to require reports and examination of their financial condition, transactions, operations, and undertakings, it is hereby declared to be the public policy and a public purpose of the state to require fiscal integrity of municipal corporations, counties, and townships so that they may provide for the health, safety, and welfare of their citizens, pay when due principal and interest on their debt obligations, meet financial obligations to their employees, vendors, and suppliers, and provide for proper financial accounting procedures, budgeting, and taxing practices. The failure of a municipal corporation, county, or township to so act is hereby determined to affect adversely the health, safety, and welfare not only of the people of the municipal corporation, county, or township but also of other people of the state. It is further determined that the fiscal emergency conditions described in division (A) of section 118.03 of the Revised Code result from and constitute abuses of the powers of a municipal corporation, county, or township to borrow money, contract debts, and levy taxes, and that such conditions impair and threaten the health, safety, and welfare of the people of the state within and beyond the municipal corporation, county, or township.

(B) The intention of the general assembly, under this chapter, is to enact procedures, provide powers, and impose restrictions to assure fiscal integrity of municipal corporations, counties, and townships, as set out in division (A) of this section, while leaving principal responsibility for the conduct of the affairs of a municipal corporation, county, or township in the charge of its duly elected officials and leaving to their discretion the choices for and manner of expenditures of available revenues, consistent with the requirements for satisfying the public policy and purpose herein set forth.

(C) Unless otherwise indicated, the provisions of this chapter are supplemental to other provisions of law, including Chapters 133. and 5705., sections 717.15 and 717.16, and other provisions of the Revised Code, and to the charter, ordinances, and resolutions of the municipal corporation, county,



or township, consistent with this chapter. Any provisions of Chapters 133. and 5705., sections 717.15 and 717.16, or other provisions of the Revised Code, and the charter, ordinances, or resolutions of the municipal corporation, county, or township may be utilized in the issuance of debt obligations under this chapter. The provisions of this chapter prevail over such other provisions of law and the charter, ordinances, or resolutions of the municipal corporation, county, or township to the extent of any conflict or inconsistency between this chapter and such other laws, charter, ordinances, or resolutions.