



Ohio Revised Code

Section 118.31 Legal action to dissolve a municipal corporation or township.

Effective: April 30, 2024

Legislation: House Bill 101

(A) Upon petition of the financial supervisor and approval of the financial planning and supervision commission, if any, the attorney general shall file a legal action in the court of common pleas on behalf of the state to dissolve a municipal corporation or township if all of the following conditions apply:

- (1) The municipal corporation or township has a population of less than five thousand as of the most recent federal decennial census.
- (2) The municipal corporation or township has been under a fiscal emergency for at least four consecutive years.
- (3) Implementation of the financial plan of the municipal corporation or township required under this chapter cannot reasonably be expected to correct and eliminate all fiscal emergency conditions within five years.

(B) The court of common pleas shall hold a hearing within ninety days after the date on which the attorney general files the legal action with the court. Notice of the hearing shall be filed with the attorney general, the clerk of the village or the fiscal officer of the township that is the subject of the action, and each fiscal officer of a township located wholly or partly within the village subject to dissolution.

(C) If the court finds that all of the conditions described in division (A) of this section apply to the municipal corporation, the court shall order the dissolution of the municipal corporation in accordance with the process in sections 703.31 to 703.39 of the Revised Code. The attorney general shall file a certified copy of the court's order of dissolution with the secretary of state, the auditor of state, and the county recorder of the county in which the village is situated, who shall record the certified copy of the order in their respective offices. The auditor of state may record the certified copy of the order in the auditor's work papers for the village's final audit. The auditor of state shall



notify the townships into which the village will dissolve of the court's order of dissolution.

(D) If the court finds that all of the conditions described in division (A) of this section apply to the township, the court shall appoint a receiver-trustee. The receiver-trustee, under court supervision, shall work with executive and legislative officers of the township to wind up the affairs of and dissolve the township in accordance with the process in section 503.02 and sections 503.17 to 503.21 of the Revised Code.