



## Ohio Revised Code

### Section 306.04 Powers and duties of board.

Effective: September 15, 2014

Legislation: House Bill 483 - 130th General Assembly

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(A) Except as otherwise provided in division (B) of this section, employees of a county transit board or a board of county commissioners operating a transit system are employees of the county. If the system is operated by the board of county commissioners, the board shall appoint an executive director, who shall be in the unclassified service.

(B) Any county transit board that established its own civil service organization and procedure prior to October 25, 1995, shall continue to operate under that organization. Appointments and promotions in that system shall be made, as far as practicable, by competitive examination.

A board that established its own civil service organization prior to October 25, 1995, shall establish by rule the seniority provisions relating to street railway and motor bus employees in effect at the time of the acquisition of the transit system by the county. The vacation, holiday, and sick leave privileges shall not be regulated by other provisions of law relating to public employees of the state or county, except that the transit board, its officers and employees, shall be subject to the public employees retirement system of the state and the transit board shall assume any pension obligations which have been assumed by any publicly owned transit system which the county may acquire.

(C) A county transit board or board of county commissioners operating a transit system may:

(1) Acquire in its name by gift, grant, purchase, or condemnation and hold and operate real estate and interests therein and personal property suitable for its purposes;

(2) In its name purchase, acquire, construct, enlarge, improve, equip, repair, maintain, sell, exchange, lease as lessee or lessor, receive a right of use of, and manage, control, and operate, in or out of the county, a county transit system consisting of all real estate and interests therein, personal property, and a combination thereof, for or related to the movement of persons including but not limited to street railway, tramline, subways, rapid transits, monorails, and passenger bus systems but excluding therefrom trucks, the movement of property by truck, and facilities designed for use in



the movement of property by truck for hire;

(3) Issue, with the approval of the county commissioners when the issuance is made by the transit board, revenue bonds of the county as provided in division (B) of section 306.09 of the Revised Code, to secure funds to accomplish its purposes. The principal of and interest on such bonds, together with all other payments required to be made by the trust agreement or indenture securing such bonds, shall be paid solely from revenues or other income accruing to the board from facilities of the county transit system designated in said agreement or indenture.

(4) Enter into contracts in the exercise of the rights, powers, and duties conferred upon it, and execute all instruments necessary in the conduct of its business;

(5) Fix, alter, and charge rates and other charges for the use of its real estate and interests therein, personal property, and combinations thereof;

(6) Employ such financial consultants, accountants, appraisers, consulting engineers, architects, construction experts, attorneys-at-law, managers and other supervisory personnel, and other officers, employees, and agents as it determines necessary to conduct its business, and fix their compensation and duties;

(7) Pledge, hypothecate, or otherwise encumber its revenues and other income as security for its obligations and enter into trust agreements or indentures for the benefit of revenue bondholders;

(8) Borrow money or accept or contract to accept advances, loans, gifts, grants, devises, or bequests from and enter into contracts or agreements with any federal, state, or other governmental or private source and hold and apply advances, loans, gifts, grants, devises, or bequests according to the terms thereof including provisions which are required by such federal, state, or other governmental or private source to protect the interest of employees affected by such advances, loans, gifts, grants, devises, or bequests. Such advances, loans, gifts, grants, or devises may be subject to any reasonable reservation and any gift, grant, or devise or real estate may be in fee simple or any lesser estate. Any advances or loans received from any federal, state, or other governmental or private source may be repaid in accordance with the terms of such advance or loan. A loan accepted by a county transit board shall not, in any way, obligate the general fund of a county or a board of county



commissioners.

(9) Conduct investigations and surveys into the needs of the public within or without the county for transportation services to provide for the movement of persons within, into, or from the area serviced or to be serviced by the county transit system;

(10) Enter into lawful arrangements with the appropriate federal or state department or agency, county, township, municipal corporation, or other political subdivision or public agency for the planning and installation of any public facilities which are determined necessary in the conduct of its business;

(11) Purchase fire, extended coverage, and liability insurance for the real estate and interests therein, personal property and any combination thereof, used by or in connection with the county transit system and insurance covering the board and the county transit system and its officers and employees for liability for damage or injury to persons or property;

(12) Procure and pay all or any part of the cost of group hospitalization, surgical, major medical, or sickness and accident insurance, or a combination thereof, for the officers and employees of the county transit system and their immediate dependents, issued by an insurance company, duly authorized to do business in this state;

(13) Sell, lease, release, or otherwise dispose of real estate or interests therein or personal property owned by it and grant such easements across its real estate and interests therein as will not interfere with its use by the county transit system;

(14) Establish rules for the use and operation of the county transit system including the real estate or interests therein, personal property or a combination of the foregoing used by or in connection with such system;

(15) Exercise the power of eminent domain to appropriate any real estate or interests therein, personal property, franchises, or any combination thereof, within or without the county, necessary or proper in the exercise of its powers provided in sections 306.01 to 306.13 of the Revised Code, as provided in sections 163.01 to 163.22 of the Revised Code, and subject to divisions (15)(a), (b), and



(c) of this section, provided that a county transit board or a board of county commissioners operating a transit system shall not proceed to so appropriate real property outside its territorial boundaries, until it has served at the office of the county commissioners of the county in which it is proposed to appropriate real property, a notice describing the real property to be taken and the purpose for which it is proposed to be taken, and such county commissioners have entered on their journal within thirty days after such service a resolution approving such appropriation.

(a) Nothing contained in this division authorizes a county transit board or a board of county commissioners to appropriate any land, rights, rights-of-way, franchises, or easements belonging to the state or to a municipal corporation without the consent of the state or of the municipal corporation, and no county transit board or board of county commissioners shall exercise the right of eminent domain to acquire any certificate of public convenience and necessity, or any part thereof, issued to a for-hire motor carrier by the public utilities commission of Ohio or by the federal motor carrier safety administration of the United States, or to take or disturb other real estate or interests therein, personal property, or any combination thereof belonging to any municipal corporation without the consent of the legislative authority of such municipal corporation, or take or disturb real estate or interests therein, personal property, or any combination thereof belonging to any other political subdivision, public corporation, public utility, or common carrier, which is necessary and convenient in the operation of such political subdivision, public corporation, public utility, or common carrier unless provision is made for the restoration, relocation, or duplication of that taken or upon the election of such political subdivision, public corporation, public utility, or common carrier for the payment of compensation, if any, at the sole cost of the county transit system.

(b) If any restoration or duplication proposed to be made under this division involves a relocation, the new location shall have at least comparable utilitarian value and effectiveness, and such relocation shall not impair the ability of the public utility or common carrier to compete in its original area of operation.

(c) If such restoration or duplication proposed to be made under this division involves a relocation, the county transit board or board of county commissioners shall acquire no interest or right in or to the appropriated property or facility until the relocated property or facility is available for use and until marketable title thereto has been transferred to the political subdivision, public corporation,



public utility, or common carrier. Nothing in this division shall require any board of county commissioners or county transit board operating a county transit system to so restore, relocate, or duplicate, if all of the real estate and interests therein, personal property, and any combination of the foregoing which is owned by a public utility or common carrier and used by it or in connection with the movement of persons, is acquired by exercise of the power of eminent domain.

(16) When real property is acquired that is located outside the county and is removed from the tax duplicate, the county transit board or board of county commissioners operating a transit system shall pay annually to the county treasurer of the county in which that property is located, commencing with the first tax year in which that property is removed from the tax duplicate, an amount of money in lieu of taxes equal to the smaller of the following:

(a) The last annual installment of taxes due from the acquired property before removal from the tax duplicate;

(b) An amount equal to the difference between the combined revenue from real estate taxes of all the taxing districts in which the property is located in the tax year immediately prior to the removal of the acquired property from the tax duplicate, and either:

(i) The total revenue which would be produced by the tax rate of each such taxing district in the tax year immediately prior to the removal of the acquired property from the tax duplicate, applied to the real estate tax duplicate of each of such taxing districts in each tax year subsequent to the year of removal; or

(ii) The combined revenue from real estate taxes of all such taxing districts in each tax year subsequent to the year of removal, whichever is the greater.

The county transit board or board of county commissioners may be exempted from such payment by agreement of the affected taxing district or districts in the county in which the property is located.

The county auditor of the county in which that property is located shall apportion each such annual payment to each taxing district as if the annual payment had been levied and collected as a tax.



Those annual payments shall never again be made after they have ceased.

(17) Sue or be sued, plead or be impleaded, and be held liable in any court of proper jurisdiction for damages received by reason of negligence, in the same manner and to the same extent as if the county transit system were privately operated, provided, that no funds of a county other than those of the county transit board or, if the transit system is operated by the board of county commissioners, other than those in the account for the county transit system created under division (C) of section 306.01 of the Revised Code, shall be available for the satisfaction of judgments rendered against that system;

(18) Annually prepare and make available for public inspection a report in condensed form showing the financial results of the operation of the county transit system. For systems operated by a county transit board, copies of this report shall be furnished to the county commissioners as well as a monthly summary statement of revenues and expenses for the preceding month sufficient to show the exact financial condition of the county transit system as of the last day of the preceding month.

(19) With the approval of the county commissioners when the action is taken by the transit board, and without competitive bidding, sell, lease, or grant the right of use of all or a portion of the county transit system to any other political subdivision, taxing district, or other public body or agency having the power to operate a transit system.

(D)(1) As used in this division:

(a) "Applicant" means any person who responds to a request for proposals and submits an application for a franchise to operate a public transit system or portion of a public transit system;

(b) "Application for certification" means the documents that are required to be filed by a franchisee to initiate the proceedings required for certification;

(c) "Application for a franchise" means the documents that are required to be filed in response to a request for proposals and that initiate the proceedings required for the award of a franchise;

(d) "Certification" means the order issued by a board of county commissioners, after submission of



an application for certification, that approves the operation of a public transit system, or a portion of a public transit system, by a franchisee, subject to terms and conditions imposed by the board.

(e) "Franchise" means the document and all accompanying rights approved by the board of county commissioners that provides the franchisee with the exclusive right to establish a public transit system and, subject to certification, the right to operate a public transit system. A franchise may include the right of a franchisee to provide transportation services for a county department of job and family services.

(f) "Franchisee" means the individual, corporation, or other entity awarded a franchise.

(2) A board of county commissioners, on behalf of a county transit board, may award a franchise to an applicant subject to such terms and conditions as the board of county commissioners considers appropriate and consistent with applicable laws. Subsequent to awarding the franchise, the board of county commissioners may issue a certification and, until such issuance, the franchisee has no right to operate a public transit system or part of such a system. The board of county commissioners shall not delete, alter, or amend the terms and conditions of the certification after its issuance. The board shall include in the certification performance targets related to the operation of a public transit system by the franchisee, including cost savings to the county, gains in efficiency, the safety and security of the traveling public and franchise employees, service to the traveling public, return on any investments made by the county, and any other performance targets as determined by the board. All terms and conditions of the order of certification are terms and conditions of the franchise. Unless expressly exempted or granted a waiver in the certification, the franchisee shall comply with all applicable rules, regulations, orders, and ordinances.

(3) The award of a franchise by a board of county commissioners to an applicant is the sole license and authority for the franchisee to establish a public transit system and, subject to certification, operate a public transit system.

(4) A board of county commissioners shall award a franchise for a period of not less than ten years, as provided in the franchise.

(5) A franchise shall not prohibit the franchisee from implementing new or improved services



during the term of the franchise.

(6) A franchisee shall coordinate its services, as specified in the franchise, with public transit providers to make effective transportation services available to the public and provide access to and from the public transit system.

(7) A board of county commissioners shall provide terms and conditions in a franchise to ensure that the franchisee will continue operation of the public transit system for the duration of the term of the franchise or, if the franchise is revoked, suspended, or abandoned, that financial and other necessary resources are available to continue the operation of the system until another franchisee is selected or until the board of county commissioners determines to cease the transit operations governed by the franchise. The franchise shall specifically provide that the board shall have the right to terminate the franchise if the board determines that the franchisee has materially breached the franchise in any manner. The franchisee may appeal such a termination to the board, and, if the board upholds the termination, to the proper court of common pleas.