



Ohio Revised Code

Section 3311.241 Transfer or school district territory; cancellation of debt to solvency assistance fund.

Effective: September 17, 2014

Legislation: House Bill 487 - 130th General Assembly

(A) In the case of a voluntary transfer of the territory of a school district in accordance with section 3311.38 or division (A)(1)(a) of section 3311.24 of the Revised Code, and where the transfer is initiated under either of those sections not later than December 31, 2015, and results in the complete consolidation and dissolution of the transferring district, the net indebtedness owed to the solvency assistance fund created under section 3316.20 of the Revised Code by the transferring district shall be canceled, provided that all of the following conditions are satisfied:

(1) The amount owed by the transferring district to the solvency assistance fund is greater than or equal to thirty-three per cent of the transferring school district's operating budget for the current fiscal year, but does not exceed ten million dollars.

(2) The transferring district has remained in a state of fiscal emergency pursuant to section 3316.03 of the Revised Code during the previous two fiscal years.

(3) The acquiring district is in the same county or in a county contiguous to the county in which the transferring district is located.

(4) The acquiring district has voluntarily accepted the transfer.

(5) The acquiring district has submitted to the state board of education a five-year written projection of solvency which takes into account the fiscal effects of acquiring the transferring district.

(B) If the conditions in division (A) of this section are satisfied, the acquiring district shall acquire the transferring district's territory free and clear of any amount owed by the transferring district to the solvency assistance fund. However, the acquiring district shall assume the obligations of all other liens, encumbrances, and debts of the transferring district.



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(C) Upon the making of a transfer pursuant to this section, the board of education of the transferring district is thereby abolished, and the district is thereby dissolved.

(D) The director of budget and management may transfer any available moneys from the general revenue fund, appropriated for operating payments to schools, into the solvency assistance fund to replace the amount owed by a transferring school district forgone under division (A) of this section.