

**Ohio Library Council
BOARD OF DIRECTORS**

ITEM NO.: **5.H.1**

MEETING DATE: **Nov. 7, 2025**

SUBJECT: **Government and Legal
Services Report**

SUBMITTED BY: **Jay Smith**

REPORT FOR INFORMATION

PLF Update

The Ohio Department of Taxation (ODT) posted the October 2025 Public Library Fund (PLF) distribution of \$39,186,903 – which is \$1.76 million or -4.32% below ODT's original estimate that was issued in July 2024; and \$1.82 million or -4.44% below ODT's updated estimate issued in December 2024. The PLF Calendar Year (CY) 2025 year-to-date total is \$412,636,282.

According to the Office of Budget and Management's (OBM), the state's General Revenue Fund (GRF) tax receipts for September 2025 came in nearly \$240 million or 12% above estimate. So far for FY26, state tax collections are \$291.9 million or 4.3% more than expected.

As a reminder, even though the PLF is now a line-item appropriation, the monthly distributions to the county level will slightly change each month. HB 96 included additional cash transfers from the PLF to the State Library of Ohio, OPLIN, Library for the Blind, the Ohioana Library Association and the Regional Library Systems. OBM shared a schedule of those cash transfers for Fiscal Year (FY) 2026. These deductions and transfers from the PLF are made prior to the PLF distributions to public libraries.

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 October 2025 can be found on the [OLC website](#).

HB 137 – Library Access to the Ballot

House Bill (HB) 137, sponsored by Rep. Brian Lorenz (R-Powell) was voted out of the House Local Government Committee last week by a vote of 7-6. This legislation continues to present a serious threat to Ohio's public libraries by granting sole authority to a taxing authority to decide whether a library may place a property tax levy on the ballot.

Before the vote was taken, opposition testimony was presented by Paula Brehm-Heeger from the Cincinnati & Hamilton County Public Library. Paula's testimony in addition to submitted written testimony from Bryan Howard of the Delaware County District Library and Chris White of the Lorain Public Library can be found on the [OLC website](#). Also, a recording of the hearing is available on the [Ohio Channel](#). It's important to note that we had some legislators change their minds on how they voted based on conversations with their libraries. With that said, we do have an opportunity to persuade other legislators prior to a possible floor vote. More will be discussed at the board meeting.

HB 466 – Requires Taxing Authority Approval

HB 466 was introduced by Reps. Beth Lear (R-Galena) and Kevin Ritter (R-Marietta) to require certain subdivisions, including libraries, to obtain approval of the body that created the subdivision before levying a property tax. This bill is similar to HB 137 and has been referred to the House Local Government Committee. No hearings have been held on this bill at this time.

HB 186 & HB 335 (School District 20-mill floor and Inside Millage)

The House recently passed HB 186 (Hoops, and D. Thomas) and HB 335 (D. Thomas). Both bills have gone through significant changes since first being introduced.

HB 186 limits increases in property tax revenues resulting from voted levies that may be collected by school districts on the 20-mill tax floor after property reappraisals or updates. Under HB 186, qualifying property owners will receive a “inflation cap credit” for the excess amount of taxes charged above the inflationary collections limit. In addition, the bill was modified to become retroactive to tax year 2025. To offset the costs to certain school districts, the House temporarily appropriated funds from the expanded sales tax holiday.

HB 335 also has undergone many changes since the budget (HB 96) passed in June. Originally, HB 335 included language on school district property taxes, inside millage limits, “piggy-back” local homestead exemption, county budget commissions, county levy procedures, and sales and use taxes. Currently under a substitute bill, HB 335 only includes language placing an inflationary cap on the growth of revenue from inside millage over the three preceding years.

While neither bill directly impacts public libraries at this moment, they are significant because they illustrate ongoing legislative efforts to amend laws in an attempt to lower property taxes across the state.

It is crucial for OLC to monitor all proposed tax legislation, as changes in these areas could very well impact Ohio's public library systems in the future. Both bills are being considered by the Senate Local Government Committee.

HB 413 – Local Government Expenditure Database

Currently, the Treasurer of State operates the State and Local Government Expenditure Database, known as “Ohio Checkbook,” which includes state expenditure information. Currently, state retirement systems and political subdivisions participate at their own discretion. HB 413 would split this database into two, forming the State Government Expenditure Database and the Local Government Expenditure Database. In addition, it would require certain political subdivisions, including libraries, to participate while also including both revenue and expenditure information. The bill is currently undergoing hearings in the House Technology and Innovation Committee.

HB 473 – Prohibit Public Employer Contribution Payments

HB 473 seeks to prohibit an employer from “pick-ups” or paying the employee’s share of their pension contributions. This bill is being heard in the House Public Insurance and Pensions Committee.

Link to Property Tax Bills being tracked by OLC

Through Hannah News Service, OLC tracks various legislation which potentially could impact Ohio's public libraries. The following link provides a list of property tax related bills that have been introduced in the 136th Ohio General Assembly. You can use this link to monitor bill status changes, view legislation, and other information related to the status of these bills.

https://www.hannah.com/Report_Custom.aspx?sid=mgRKgjiaLhk%3d&rid=CkII%2bLzg%2f8k%3d&oldFormat=False

Constitutional Amendment to Eliminate Property Taxes

In response to the Citizens for Property Tax Reform initiative, OLC and other local governments have begun meeting to organize opposition against the amendment should it make it to the ballot. More will be discussed at the board meeting.

OLC Regional Meetings

OLC hosted a series of regional meetings for library directors and fiscal officers in September and October. These in-person sessions provided timely updates and essential insights into several key financial and policy issues impacting Ohio's public libraries.

Topics included:

- Library materials language in the state budget
- New Public Library Fund (PLF) distributions
- Property taxes and county budget commissions
- The proposed constitutional amendment to eliminate property taxes

In addition, we recently hosted a virtual update and we're hosting a session at the OLC Convention & Expo to provide further updates on these evolving topics.

Congressional Redistricting: What's Next?

The Ohio Legislature is tasked with redrawing voting districts for the U.S. House of Representatives. The new maps must be in place for the 2026 primary elections. The Ohio Constitution dictates that the process begins in the Ohio General Assembly which specifies a three-fifths vote in each chamber including at least half of the Republicans and Democrats to achieve a bipartisan map by the end of September.

Since no agreement was achieved in September, the process moved to the Ohio Redistricting Commission where Republicans hold five out of the seven Redistricting Commission seats. Recently, as the deadline approached, the commission unanimously adopted new maps that will remain in place through the 2030 elections giving republicans an advantage in two democratic held districts including Rep. Kaptur (Toledo) and Rep. Landsman (Cincinnati).