

**Ohio Library Council
BOARD OF DIRECTORS**

ITEM NO.: **6.E.1**

MEETING DATE: **Jan. 16, 2026**

SUBJECT: **Government and Legal
Services Report**

SUBMITTED BY: **Jay Smith**

REPORT FOR INFORMATION

ODT Posts January 2026 PLF Distribution

The Ohio Department of Taxation (ODT) posted the January 2026 Public Library Fund (PLF) distribution of \$39,186,904 – which is \$839,123 (or -2.10%) below ODT's original estimate that was issued in July 2025 and ODT's updated estimate issued in December 2025 that went unchanged.

According to the Office of Budget and Management (OBM), total General Revenue Fund (GRF) tax receipts are \$518.2 million (+ 3.5%) above estimate for the first six months of Fiscal Year 2026.

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 January 2026 can be found on the [OLC website](#).

Sales Tax Holiday Reminder

As a reminder, the PLF is now a line-item appropriation and is no longer calculated as a percentage of the state's GRF. As a result, public libraries are no longer impacted by the Sales Tax Holiday. With changes enacted in HB 96 effective July 1, the August Sales Tax Holiday does not affect the PLF, and therefore no reimbursement was issued in December 2025 because there is no associated loss.

Ohio House and Senate Schedule for First Half of 2026

The House and Senate released first-half schedules for 2026. The House schedule begins with their first session on Wed., Feb. 18 and a final one on Wed., Jun. 10, although if-needed sessions are on the calendar for later in June. April and the first week of May are set aside for a pre-primary election spring break. The Senate will be back sooner, with a session planned for Wed., Jan. 28, and proposes to wrap up the same week as the House. The Senate also plans a shorter spring break than the House.

Gubernatorial Campaign Update

Both Republican Vivek Ramaswamy and Democrat Amy Acton announced their selection for lieutenant governor running mates. Vivek Ramaswamy selected Senate President Rob McColley (R-Napoleon) while Amy Acton selected former Democratic Party Chair David Pepper.

Constitutional Amendment to Eliminate Property Taxes

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

Property Tax Legislation (HB 186, HB 335, HB 309)

In November the legislature completed its work on HB 186 (Hoops, and D. Thomas) and HB 335 (D. Thomas). HB 186 establishes an Inflation Cap Credit to limit the growth of unvoted school-district millage (20 mill floor) to the rate of inflation which is designed to protect homeowners from sudden or significant tax increases. The bill also expands the Owner Occupancy Credit over the next four years while gradually eliminating the Non-Business Credit on all non-agricultural properties. This change is designed to create more savings for homeowners' primary residences and away from for-profit properties.

HB 335 imposes an inflation cap on "inside millage", or unvoted millage, in which most public libraries in Ohio do not receive.

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

In addition to the bills mentioned above, HB 309 was touted as a vehicle for delivering property tax relief and creating improved transparency in Ohio's tax system. HB 309 strengthens the authority of county budget commissions (CBCs) to modify or reduce levies if they deem local government collections to be "unnecessary or excessive."

As passed by the legislature, the bill provides a one-year safe harbor for all new levies. That means the CBC is required to approve all new levies without modifications for the first year unless the levy is a renewal levy.

"Unnecessary collections" are defined as those beyond the reasonably anticipated financial needs of the taxing authority for the specific purpose of the tax after accounting for current fund balances, projected expenditures, and other available funding sources.

"Excessive collections" are defined as those in an amount or at a rate that exceeds what is required to provide services at a level that is consistent with the taxing authority's statutory obligations.

All three bills were signed by Governor DeWine on Dec. 19 and become effective on Mar. 18, 2026.

OLC Library Legislative Day (March 18)

Planning for Library Legislative Day is underway for Wed., Mar. 18 at the Renaissance Columbus Downtown Hotel. In addition, a preparation webinar has been scheduled for Tues., Mar. 3 at 2pm. More details will be discussed at the Board meeting.