

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 122:9-1-01

Rule Type: Rescission

Rule Title/Tagline: Community reinvestment area tax exemption fee.

Agency Name: Department of Development

Division: Community Reinvestment Area Regulations

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I. Rule Summary

1. **Is this a five year rule review?** Yes
 - A. **What is the rule's five year review date?** 6/16/2023
2. **Is this rule the result of recent legislation?** Yes
 - A. **If so, what is the bill number, General Assembly and Sponsor?** SB 33 - 134 - Jay Hottinger; Andrew Brenner
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** 3735.672(C)
5. **What statute(s) does the rule implement or amplify?** 3735.65 - 3735.70
6. **Does the rule implement a federal law or rule in a manner that is more stringent or burdensome than the federal law or regulation requires?** No
 - A. **If so, what is the citation to the federal law or rule?** Not Applicable
7. **What are the reasons for proposing the rule?**

Rule is proposed for rescission because the amendment to the statute by SB 33 of the 134th Ohio General Assembly removed the requirement to submit agreements to the

director for approval and the director's requirement to establish fees for applications for approval under R.C. 3735.672

- 8. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

This rule sets fees for applications to enter into CRA agreements.

- 9. Does the rule incorporate material by reference?** No
- 10. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

Not Applicable

- 11. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

Not Applicable

II. Fiscal Analysis

- 12. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

\$0

The amendment to the statute eliminated the requirement to apply to Development for approval of agreements, thereby making the rule obsolete.

- 13. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

Not Applicable

- 14. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**

- 15. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No**

16. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.

Not Applicable

III. Common Sense Initiative (CSI) Questions

17. Was this rule filed with the Common Sense Initiative Office? No
18. Does this rule have an adverse impact on business? No
- A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No
 - B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No
 - C. Does this rule require specific expenditures or the report of information as a condition of compliance? No
 - D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? No

IV. Regulatory Restriction Requirements under S.B. 9. Note: This section only applies to agencies described in R.C. 121.95(A).

19. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? Yes
- A. How many new regulatory restrictions do you propose adding to this rule? 0
 - B. How many existing regulatory restrictions do you propose removing from this rule? 7

122:9-1-01(A) "The state's application fee for applications submitted to a municipal corporation or county to enter into an agreement under section 3735.671 of the Revised Code shall be seven hundred fifty dollars."

122:9-1-01(B) "Payment shall be in the form of a check or money order made payable to the development services agency by the owner of the property or an authorized designee of the property owner."

122:9-1-01(C) "Payment shall be collected by the municipal corporation or county at the time of application . . ."

122:9-1-01(C) ". . .and shall be forwarded to the development services agency with the executed agreement by the municipal corporation or county."

122:9-1-01(D) "If the application does not result in the entering of an agreement, then the fee shall be refunded to the applicant by the municipal corporation or county."

122:9-1-01(D) "Otherwise, such fee shall be non-refundable."

122:9-1-01(E) "The director of the development services agency shall notify the tax commissioner to withhold the approval of all tax exemptions pertaining to an agreement which has not met the community reinvestment area tax exemption fee requirements set forth above."

- C. If you are not removing existing regulatory restrictions from this rule, please list the rule number(s) from which you are removing restrictions.**
- D. Please justify the adoption of the new regulatory restriction(s).**

Not Applicable