

Bond Case Briefs

Municipal Finance Law Since 1971

POLITICAL SUBDIVISIONS - OHIO

Toledo City School Dist. Bd. of Edn. v. State Bd. of Edn.

Supreme Court of Ohio - May 4, 2016 - N.E.3d - 2016 WL 2341959 - 2016 -Ohio- 2806

Parents of children enrolled within school districts and school districts brought actions against State, seeking a writ of mandamus ordering Department of Education to calculate and pay school foundation funds to districts in accordance with law, or for a declaration that Department was required to calculate the payments for three fiscal years on basis of their average daily membership of first of those years.

Actions were consolidated. The Court of Common Pleas entered judgment in part on pleadings with regard to parents' claims in favor of State. State sought review. Parents and districts cross-appealed. The Court of Appeals affirmed. State sought review.

The Supreme Court of Ohio held that retroactivity clause of state constitution does not protect political subdivisions that are created by state to carry out governmental functions.

Legislature was able to authorize State Board of Education to adjust local school funding calculations and to retroactively immunize Board from liability for any legal claim of reimbursement by a school district for a reduction of school-foundation funding without violating state constitution's retroactivity clause, as clause did not protect political subdivisions, including school districts.