



To: Conference Committee Members

From: Ohio Municipal League

Date: June 19, 2019

Re: Am. Sub. HB 166, State Operating Budget

The Ohio Municipal League, on behalf of our 751 member municipalities, appreciates the hard work done by both the House and the Senate. We believe that the current version of Am. Sub. HB 166 takes substantial steps to repair the partnership between the state and its municipalities. We are pleased to share with committee members the following provision in Am. Sub. HB 166 that we support and would appreciate that they remain in the final version that is approved by the legislature and signed by the Governor:

- **Increase to the Local Government Fund (LGF). RDFCD8.** The Senate increased of the Local Government Fund (LGF) to 1.68%, an additional \$5.2 million each year over the biennium. We appreciate the recognition of the value of this investment while reminding the legislature that future increases to the LGF will remain a priority for our members.
- **Increased MARCS funding. GRF 100501.** The Senate allocated \$4 million over the biennium for the local government fee offset for Multi-Agency Radio Communication (MARCS) radios.
- **Restored Supplemental LGF Distribution fund. RDFCD8.** The Senate restored the Supplemental LGF Distribution fund to Ohio's cities.
- **Municipal Net Profit Collections. TAXCD23.** The Senate requires the Dept. of Taxation to develop a web portal to securely exchange information with municipalities; allows a taxpayer to opt out of filing with the state within the first 24 months; requires the Tax Commissioner to notify a municipality when a taxpayer opts out of filing with the state; requires the Tax Commissioner to conduct an audit referred by a municipality; and requires the Tax Commissioner to notify and share records with a municipality when examining a taxpayer.
- **Funding H2Ohio. EPA715695.** The Senate allocated up to \$170 million from the FY 2019 General Revenue Fund (GRF) surplus to the H2Ohio fund and expanded the use of the funding to community water projects.
- **Motion Picture Tax Credit. TAXCD38.** The Senate amended the refundable tax credit for motion picture production expenditures and live theatre productions.
- **Unpaid Garbage Fees. LOCCD22.** The Senate amended the House provision authorizing all municipalities to charge unpaid garbage fees as a lien against real property if the fees are equal to or greater than \$350.
- **Opportunity Zones. TAXDC21.** The Senate kept the House provision incentivizing investment in struggling communities via income tax credits for businesses that invest in Opportunity Zones.

- **Tax Increment Financing (TIFS). TAXCD25.** The Senate kept the Governor's provision allowing local governments to extend TIFS to an additional 30 years for large high-impact developments.
- **Housing Trust Fund. LOCCD44.** The Senate increased to \$32 the fee for the first two pages of a recorded document and split the revenue between the Housing Trust Fund and the County recorders.
- **Local Police Departments. AGOCD21.** The Senate allowed local police departments to apply for School Safety Training Grants of the local school district did not apply.
- **Ohio Business Gateway (OBG). GRF100459.** The Senate kept the Governor's increase in OBG funding by 295.34%.
- **Local Government Audit Support. GRF070412.** The Senate kept the House provision allocating \$26 million over the biennium for local government audit support.
- **Bureau of Criminal Investigation (BCI) Lab Testing. GRF055321.** The Senate allocated \$42 million over the biennium for BCI lab tests.
- **Public Safety Answering Points. DASCD40.** The Senate deemed a public safety answering point compliant with minimum staffing standards when compliant with all other operational standard rules.

Finally, the League thanks the Senate for removing the following provisions from Am. Sub. HB 166:

- **August Special Elections. (Originally HB 187). LOCCD25.** The Senate removed the provision prohibiting local tax levies from appearing on August special election ballots.
- **Property Tax Complaints. (Originally 75). TAXCD54.** The Senate removed the requirement that local governments pass individual resolutions for each property tax contest.
- **Residential Property Tax Abatement. (Originally HB 149). TAXCD58.** The Senate removed the exemption of unimproved land subdivided for residential development from increased property taxes for up to 5 years.

The League requests the restoration of these provisions to the final version of Am. Sub. HB 166:

- **Hotel Intermediaries: Sales and Lodging Taxes. TAXCD53.** The House required hotel intermediaries to collect and remit local lodging taxes.
- **Vexatious Litigators. LOCD24.** The House required a vexatious litigator to obtain court permission before requesting public records.

Thank you for your consideration of these requests. We look forward to continuing the work to strengthen the partnership between Ohio and its cities and villages.

Respectfully,



Kent Scarrett
Executive Director
Ohio Municipal League

CC: Senate President Larry Obhof, Speaker of the House Larry Householder, the Ohio House of Representatives, the Administration of Governor Mike DeWine