



June 29, 2021

The Honorable Governor Mike DeWine
Riffe Center, 30th Floor
77 South High St.
Columbus, OH 43215

Governor DeWine;

The Ohio Municipal League, on behalf of our 720 member municipalities, writes to respectfully ask you to use your constitutional veto power to strike items detrimental to Ohio's municipalities in the state operating budget, Sub. HB 110.

The following provisions would not only create significant financial difficulties for municipalities across the state but would enact substantial preemptions on the constitutional Home Rule authority granted to Ohio's cities and villages. We respectfully request that these provisions be removed from the state operating budget bill:

- Retroactive Treatment of Temporary Withholding Policy: Sub. HB 110 would currently allow for the retroactive treatment of Sec. 29 of HB 197, the temporary municipal income tax withholding provision, authorizing taxpayers to request for refunds for tax year 2021. Although this language also includes an extension of the temporary withholding policy until December 30, 2021, which the League supports, it also fundamentally alters the purpose of the emergency authority by allowing taxpayers to file refund requests for tax year 2021 for withholdings lawfully provided. This retroactive change to the intent and application of HB 197 will result in potentially devastating financial consequences to the ability of Ohio's cities and villages to support first responder services and other critical functions of municipal government.
- "Bag Tax" Preemption: HB 242 of the 133rd General Assembly enacted a temporary preemption on communities imposing a tax, fee, assessment or other charge on auxiliary containers, also called the "bag tax", and the sale or consumption of auxiliary containers. That provision was set to expire on January 15, 2022; however, Sub. HB 110 as currently written will make this Home Rule violation permanent. We appreciate your continued support for local governments and your opposition to this preemption in the previous

General Assembly. We urge that you continue your support of local control by vetoing this preemption.

The Ohio Municipal League, along with our member cities and villages, are grateful for the work the DeWine administration has done to respect the Home Rule rights of Ohio's municipalities, and we appreciate that you have voiced your support and have fought for the principals of local control. We respectfully request that you recognize the harmful impact these provisions would have on Ohio's cities and villages and that you veto these provisions.

Respectfully,

A handwritten signature in black ink, appearing to read 'K. Scarrett', with a stylized flourish at the end.

Kent Scarrett
Executive Director
Ohio Municipal League