

Dear Township Officials:

We have received a copy of the Omnibus Amendment that the House Finance Committee accepted earlier today. To view the amendment, please visit http://www.legislature.state.oh.us/bills.cfm?ID=129_HB_153_HA. The House Finance Committee is expected to report the bill out of Committee tonight and the bill will likely be scheduled for a full House vote on Thursday.

The amendment does make several changes to numerous sections that apply to townships. I have provided the page numbers for you to review each section should you wish. I will be updating the list of items that impact townships to reflect the changes and will send it to you in the scheduled Friday legislative alert.

LGF Revenue

Pages 19-22 - Alters LGF distributions to the county undivided local government fund (the large pot the county receives and then distributes according to formula devised in each county)
- guarantees that any county in FY 2011 that receives less than \$500,000 in undivided LGF revenue will see NO reduction in funding in FY 2012 and FY 2013 regardless of the prescribed 25% reduction each year set forth in bill

This means that counties receiving less than \$500,000 in total undivided LGF revenue will continue to get the same amount in FY 2012 and FY 2013. Townships in smaller counties, you are encouraged to check with your county auditor to see if this provision would apply to you.

- guarantees any county that receives in FY 2011 above \$500,000 in FY 2011 must receive at least \$500,000 in FY 2012 and FY 2013 regardless of the prescribed 25% reduction each year set forth in bill

This means that there will be a floor for LGF reductions. Counties will be guaranteed at least \$500,000 in undivided LGF revenue. Townships in small and medium-sized counties (county receives less than \$1,000,000 in total undivided LGF revenue) are encouraged to check with your county auditor to see how this provision may apply.

Conveyance of Land

Pages 110-112 - Conveys land to Jackson Township in Stark County from Kent State University for purposes of a fire station

Commission on Dispute Resolution

Page 185 - Restores the Commission on Dispute Resolution - was eliminated in As Introduced version

TPP / Utility Reimbursements

Pages 196-197 - For both utility and TPP reimbursements, clarifies that for 2013 and thereafter, TPP and utility reimbursements are terminated for any township whose 2010 reimbursement constituted 6% or less of their total resources

- guarantees any township with greater than 6% reliance on TPP or utility reimbursements will get the amount they receive in CY 2012 in 2013 and thereafter

Township Mergers

Pages 215-226 - Creates three different procedures by which two or more townships could merge together should they wish to do so.

- sets forth requirements that must be included in merger agreement and if agreement is not reached within a specified time period, sets forth merger conditions until an agreement can be reached

The OTA has expressed concern with several of these provisions. We will be sending a letter to the full House tomorrow and will be working to address our concerns in the Senate.

Fiscal Distress

Page 227 - Eliminates the ability of local governments to file for bankruptcy protection

Local Government Integrating and Innovation Committees

Page 254 - States that 30% of the \$50 million each year MAY (not shall as in current bill) be appropriated to entities in fiscal emergency

- the language mandating 20% be given to townships remains in the bill

New Community Authorities

Pages 275-276 - Eliminates the provisions allowing for a new community authority to charge based on sales revenue

- removes prohibition of a vendor charging a community development charge as part of the price of goods or services

- eliminates provision that permits a vendor to use price of goods or services as a basis to calculate the charge it owes a new community authority

Public Notice Requirements

There was a rather large amendment accepted that was basically HB 220 from the 128th General Assembly with a few tweaks. It is my understanding that several of the items relating to public notice requirements in HB 153 will be eliminated and replaced with the provisions of HB 220. HB 220, for those that don't remember, made numerous changes to the public notice laws. When we receive a summary of that amendment we will pass that along.