

Dear Township Officials:

On Friday evening the Governor signed HB 1, the biennial budget. This makes HB 1 effective on July 17, 2009 with some provisions effective 90 days later. (Fiscal matters are generally effective July 17 and non-fiscal matters are generally effective 90 days later.) The Governor vetoed over 60 items from the budget, including several provisions relating to townships. Here are the sections of relevance that were vetoed by the Governor.

Tangible Personal Property (TPP) Tax Reimbursement

HB 1 provided for the indefinite reimbursement for lost TPP tax dollars created when the state enacted tax reform in 2003. The bill allowed for 100% reimbursement to local government and schools based on 2004 tax levels.

The Governor vetoed this provision. However, the Governor did retain a six month extension to full reimbursement. This means that townships will see an extra six months of 100% reimbursement. Current law states 100% reimbursement ends in December 2010 but HB 1 will provide for 100% reimbursement through FY 2011, or June 30, 2011.

Attached is the Governor's veto message for this provision.

Grade Separation Repairs

HB 1 required the Turnpike Commission to repair grade separations at certain county/township and Turnpike intersections and then required the local government responsible for the road to maintain the grade separations.

The Governor vetoed this provision. Attached is his veto message for this provision.

Should you have any questions or wish to view HB 1 in its entirety and read the Governor's veto message in its entirety, please visit

http://www.legislature.state.oh.us/bills.cfm?ID=128_HB_1 or http://ohio.gov/docs/2010-2011_Vetoed_Part1.pdf and http://ohio.gov/docs/2010-2011_Vetoed_Part2.pdf.

Sincerely,

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