



OHIO REPORT

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LEGISLATIVE REPORT

111TH GENERAL ASSEMBLY

PROPERTY TAX FREEZE BILL RETURNED TO COMMITTEE FOR MAJOR REDRAFTING

In an 11th-hour decision the House leadership Tuesday cancelled a scheduled floor vote on a bill to abolish the Board of Tax Appeals and set up a formula to stabilize property taxes (Sub. HB 920) and sent it back to committee for major redrafting.

A skeleton session was scheduled for Tuesday night to receive the revised bill from the House Ways and Means Committee and have it before the House Rules Committee when it makes up Wednesday's calendar. (See later story on night session).

The Ways and Means Committee late Tuesday had tentatively agreed to delete all references in the bill to abolishing the Board of Tax Appeals and concentrate strictly on tax stabilization. The so-called procedural parts of the bill dealing with the creation of a three-judge tax court of appeals to assume the judicial functions of the BTA and shift tax administration from the BTA to the tax commissioner would be dealt with in a separate bill.

It was the provision of creating a new tax court that forced cancellation of the floor vote. Creation of a new court requires a two-thirds majority, or 66 votes, which put Republicans in the position of being able to kill the entire bill if the Democratic majority refused to make any concessions. By deleting the court the bill will need only 50 votes.

"I'm about ready to ask Hinig (Rep. William Hinig) to carry this damn thing because I've had it," Rep. John Johnson (D-Orville), the prime sponsor, fumed as the committee began carving up the bill.

As introduced by Mr. Johnson, the bill dealt only with abolishing the BTA and then it was chosen as a vehicle to also attempt to halt the inflationary increases in real property tax values. With the amendments being made by the committee the only thing left of Mr. Johnson's original bill would be the bill number.

In committee hearings last week, the bill was amended to make the system of tax credits that will be used to offset increases in property tax values apply to the 10-mills of unvoted, inside millage plus millage levied under municipal charters. The committee agreed Tuesday that this millage should be exempted from any adjustments as it now is.

Another amendment would conform the bill to the equal-yield school funding bill passed last year to prevent any disruptions of the calculations on which state aid is based and prevent revenue losses to school districts.

Democrats were still resisting attempts by Republicans to provide the same tax relief to tangible personal property that would be afforded to real property.

PROPERTY TAX FREEZE BILL RETURNED TO COMMITTEE FOR MAJOR REDRAFTING (CONT.)

The bill as it went to the floor also replaced the annual update of tax values with an update every three years. Mr. Johnson said he wanted to keep the annual update even though this is a major item of concern to many. He explained that eliminating the annual update could be made a part of the separate bill to abolish the BTA and would help get the 66 votes he needs to create a tax court.

TANDEM ELECTION CLEARS FINAL HURDLE: SENATE APPROVES 28 APPOINTMENTS

The Ohio Senate Tuesday put the final stamp of approval on the amendment to the constitution (Am. SJR 4) that would permit the tandem election of the Governor and Lieutenant Governor. The vote on adoption of the resolution was 22-8. The Senate last Thursday voted 21-6 to agree to the conference committee report but failed to vote on the adoption of the resolution, as a result the resolution was back again Tuesday for a floor vote.

However, Rep. Harry Lehman (D-Shaker Heights), the sponsor of the resolution, said he was notified that there would be an attempt by several House members to have the proposal reconsidered and recommitted to a conference committee. A motion was to have been made at the night skeleton session in the House and left pending. Mr. Lehman pointed out, however, that he believes he can garner the 50 votes necessary to thwart an effort to reconsider the resolution and if a motion to reconsider is made, he would bring it to a vote Wednesday.

The Senate also confirmed 28 appointments by the governor. Twenty seven of them were voted upon as a block by a vote of 30-0. Included in the 27 appointments was James W. Shocknessy as a member of the Turnpike Commission. Walter H. Paulo a Republican of Canfield, Mahoning County as a member of the State Medical Board, was voted on separately and approved by a vote of 26-4. Earlier the AFL-CIO urged defeat of Mr. Paulo because of his voting record on unemployment compensation and other labor oriented bills.

Senator Michael Maloney (R-Cincinnati) attacked the whole process of appointments, saying "It's time we took a look at the whole process, this is a disgrace" he said "when less than 50 per cent of the appointments have not been acted upon." Elaborating the minority leader stated that the governor has served 25 per cent of his term and is operating his office with more than 50 per cent of his cabinet "held captive." Mr. Maloney pointed that two of the terms of the appointments approved Tuesday had expired. One Kenneth J. Kabelka in October, 1975, the second Patricia Alessi in June 1975.

The four votes against Mr. Paulo were: Butts, Jackson, Pease and Valiquette. In other action, the Senate concurred in House amendments to legislation (Am. Sub. SB 282) designating arson for hire as a criminal offense. Another bill (Am. HB 856) also was passed giving resort areas liquor permit licenses for Sunday sales. The proposal, passed by a 17-13 vote, was criticized by Senator Jerome Stano (D-Parma). He said if the constitution made no provision for Sunday liquor sales, the question should be submitted to the voters.

The Senate informally passed a bill (HB 827) to eliminate fees of less than one dollar on additional installments of foreign corporation license fees because of the absence of the Senate sponsor, Senator William Mussey (R.-Batavia).