

PENNSYLVANIA PROMISED VW MASSIVE AMOUNTS OF STATE AID TO LOCATE THERE (CONT.)

VW's possible move to Pennsylvania.

Meanwhile, no job applications are being accepted at the New Stanton site. No applications will be taken by Chrysler, VW or anyone else, the governor said.

TENTATIVE AGREEMENT REACHED ON PROPERTY TAX BILL

A conference committee reached tentative agreement Wednesday on a bill (Am.Sub. HB 920) to slow down inflationary increases in real property taxes, gradually reduce the assessments on personal property, and revise the administration of real property taxes.

In a brief meeting Wednesday morning the conference report was signed by the three House members, Reps. George Tablack (D-Campbell), John Johnson (D-Orville), and Fred Hadley (R-Bryan), and by Senator Donald Lukens (R-Middletown).

The roll call was being kept open for Senators Marigene Valiquette (D-Toledo), who explained she wanted to make "a couple of phone calls" before deciding whether to sign the report, and Donald Pease (D-Oberlin), who is not expected to be in Columbus until sometime Thursday.

Senator Pease, who is campaigning for Congress, has missed two of the four conference committee meetings but at the last one he attended he said he would not sign the report if the conferees made all of the changes in the Senate version of the bill that were subsequently adopted.

Although signing the report, Mr. Johnson said he did so with "a great deal of reluctance". As HB 920 was introduced by Mr. Johnson it provided for replacing the Board of Tax Appeals with a new Court of Tax Appeals and a Department of Tax Equalization but the conference report retains the BTA as a quasi-judicial appellate body. "The basic guts of 920 were spewed all over the capital and nothing is left of it," Mr. Johnson grumbled.

Mr. Johnson said he would sign the report because of the benefits it will provide for taxpayers but expressed regret that the committee saw fit to leave the BTA in the tax administration picture.

Senator Valiquette, whose Ways and Means Committee made the decision to scrap the House provisions for a tax court, said she thinks separating the BTA's administrative and appellate functions is sufficient for now but added that the tax court may still "be down the road".

She reiterated her concerns about the constitutionality of the committee's recommendation to begin the property tax relief immediately instead of waiting until the end of the current reappraisal cycle in 1978 as proposed by the Senate. She said, however, that she realized the committee was in a "pressure situation" to do something about property taxes.

There was no discussion of the committee's decision to reduce tangible personal property tax assessments to a common level of 35 per cent although this is expected to stir up opposition if the report is sent to the floor for approval.

TENTATIVE AGREEMENT REACHED ON PROPERTY TAX BILL (CONT.)

The committee is proposing dropping the tangible personal property assessments by 2 per cent a year in each year that the statewide tax yield is at least 4.35 per cent greater than in the previous year. Neither the House nor the Senate versions of the bill dealt with this but it is contained in another bill (HB 68) which has been in the Senate Ways and Means Committee for more than a year.

Aside from the tax relief for personal property and applying the dollar credits beginning in the 1976 tax year to offset higher real property valuations resulting from reappraisal or equalization the committee is recommending the bill as passed by the Senate.

ASSISTANT SUPERINTENDENT OF HIGHWAY PATROL TO RETIRE

Lt. Col. Earl Reich, assistant superintendent of the Ohio Highway Patrol, announced Wednesday that he will retire effective Friday after nearly 29 years with the patrol.

He will become assistant project director of Operation Crime Alert, which is headed by former Highway Patrol Superintendent Robert Chiaramonte. Operation Crime Alert is a program of the Ohio Department of Economic and Community Development to promote citizen awareness of ways to reduce crime.

Lieutenant Colonel Reich is the brother of Clifford Reich, director of the Department of Liquor Control, who is also a former assistant superintendent of the highway patrol.

RHODES SIGNS UTILITY RATE-MAKING FORMULA REPEAL BILL, STATE OBJECTIONS MINOR

Governor Rhodes signed into law Wednesday legislation (Am.Sub.SB 94) repealing the state's present utility rate-making formula, Reconstruction-Cost New-Less Depreciation (RCNLD), and replacing it with a so-called "original cost" formula.

Mr. Rhodes contended, however, that the bill would do little to curb the ever-rising trend of utility rates and also asserted that the General Assembly failed to address the "root causes" of increasing utility rates.

"I do not believe, nor should the sponsors contend, that this bill will, of itself, reduce utility rates," Mr. Rhodes explained. "Environmental protection requirements, labor wage settlements, fuel costs, and related inflationary trends have all contributed to increasing the consumer's monthly utility bills by 100 per cent from an average of \$26 in 1968 to more than \$52 in 1975." He said those factors would continue to force up the price of utility services over the next decade.

Moreover, Mr. Rhodes said that although he supports many provisions of the bill, he asserted that "the legislature has failed to understand and address the root causes of increased utility rates. The bill does not come to grips with the real reasons of increasing rates, which are environmental, labor, fuel, and other inflationary forces. It is now time for the General Assembly to dedicate itself to tackling the inflationary and other economic problems that affect not only Ohio's utilities but all parts of our economy."