



## Budget Bill

The State Budget Bill (amended substitute Ohio House Bill 1) was signed by Governor Ted Strickland July 17, 2009, with selected line item vetos. Although the appropriations in the Bill are effective immediately on the Governor's signature and other provisions of the Bill are effective on various specified dates, many of the provisions summarized below are effective October 16, 2009. In addition to providing changes to the method of funding public schools, providing for the imposition of certain fees and for Ohio Lottery-run video slot machines at horse racing tracks, the Bill as signed by the Governor contains the following provisions among many others:

- The extension, through fiscal year 2011 (one extra year), of full reimbursements to local governments (other than school districts) from the Local Government Tangible Property Tax Replacement Fund related to the loss in revenue caused by elimination of the tangible personal property tax.
- Any county (not just those with populations over 100,000) may use a portion of delinquent tax and assessment collections to fund foreclosure prevention efforts and other foreclosure related activities.
- Permits any member of the board of county commissioners selected by the commissioners (not just the president of the board) to be a member of the county board of revision.
- Extends the Enterprise Zone tax abatement program an additional year, to October 15, 2010.
- Amends the Ohio Job Creation Tax Credit Program by measuring the increased withholding taxes from new employees by a base year concept and by

Squire Sanders continues to be one of the leading public finance firms in the nation, ranked fourth nationally as bond counsel for 2008 by Thomson Financial, with issues totaling more than \$11.8 billion.

In addition to bond counsel services, Squire Sanders also provides many other legal services to Ohio public sector clients, including economic development, tax increment financing, legislative counseling, special assessments, intergovernment and development agreements, real estate, construction and contracting, brownfields, environmental, litigation, labor, tax and employee benefits. For more information about Squire Sanders, [click here](#).

### Ohio Offices

**Cincinnati**  
513.361.1200

**Cleveland**  
216.479.8500

**Columbus**  
614.365.2700

### Contacts:

[Jeffrey A. Bomberger](#)

[Victoria Grunthaler Bowser](#)

providing that the employer must remain at the project location for the greater of seven years or the term of the credit plus three years (instead of twice the number of years of the credit). The Bill also amends provisions of the Ohio Job Retention Tax Credit Program to likewise change the method of measurement of withholding taxes and to lower the employee and investment thresholds. The Bill also relaxes the prohibition against intrastate job relocations for both programs.

- Permits public higher education institutions to assist with entrepreneurial projects, which include efforts to develop or commercialize technology through research and technology transfers or investments in real or personal property.
- Amends the state's Capital Access Loan Program for eligible minority businesses.
- Limits the new requirement that port authorities prepare plans for future development and construction of port facilities to port maritime facilities only.
- Authorizes a new refundable state tax credit related to the production of motion pictures.
- Expands the special improvement district (SID) provisions by authorizing the creation of SIDs by certain existing nonprofit organizations.
- Authorizes a municipal corporation or special improvement district to establish a revolving low interest loan program for residents that install solar panels in their homes.
- Establishes a program to provide down payment assistance for the purchase of a qualifying first home to Ohio residents who receive a college degree and intend to work in Ohio for at least five years.
- Authorizes a state new market tax credit program related to the federal new market tax credit program for qualified low-income community investments.
- Amends the Uniform Bond Law provisions primarily to accommodate new types of debt, such as Build America Bonds, permitted to be issued under the American Recovery and Reinvestment Act of 2009 (ARRA).
- Authorizes a convention facilities authority to acquire or construct hotels as part of a convention, entertainment or sports facility.
- Includes townships as a public entity authorized to initiate public nuisance actions.

[Alexander G. Burlingame](#)

[Ryan K. Callender](#)

[Margaret W. Comey](#)

[Todd L. Cooper](#)

[Timothy J. Cosgrove](#)

[Michael A. Cullers](#)

[Mary C. Daugherty](#)

[Ernie K. Demanelis](#)

[Robert J. Eidnier](#)

[Roberta L. Fisher](#)

[Christopher J. Franzmann](#)

[D. Bruce Gabriel](#)

[L. Todd Gibson](#)

[David S. Goodman](#)

[Pamela I. Hanover](#)

[Barbara L. Hawley](#)

[F. Barry Keefe](#)

[Robert D. Labes](#)

[John S. Larson](#)

[T. Bennett Litle](#)

[Richard D. Manoloff](#)

[Austin McGuan](#)

[J. Seth Metcalf](#)

[Katherine G. Petrey](#)

[Catherine Ziroti Romancheck](#)

[Matthew L. Sagone](#)

[Paul F. Sefcovic](#)

[Michael L. Sharb](#)

[Alex Shumate](#)

[Jordan G. Snow](#)

- Authorizes both a county sewer district and a regional water and sewer district to offer discounted rates for certain persons over 65 years old.
- In connection with other amendments to the Ohio Venture Capital Tax Credit Program, permits a port authority acting under an agreement with the state to issue revenue bonds for certain research and development purposes and to lend the bond proceeds to that Program's Ohio Capital Fund to invest in venture capital funds to promote Ohio business.

## Recent Decisions of Interest

Writ of mandamus to compel disclosure under public records law of a law firm's investigative report prepared for a governmental body is denied because report is protected by attorney-client privilege and common law privilege extends to any dissemination of information obtained in the confidential relationship. *State ex rel. Toledo Blade Co. v. Toledo-Lucas Cty. Port Auth.*, 121 Ohio St.3d 537

A county auditor must have express or implied statutory authority to place on the tax list and duplicate any charge or penalty imposed and certified by a municipal corporation; a municipal ordinance purporting to bestow such authority on the county auditor is insufficient to empower the county auditor to act. *2009 Op. Att'y General No. 2009-012*

Pursuant to R.C. 505.37(B) a board of township trustees and the legislative authority of a municipal corporation may, through joint action, unite to establish a mobile communication center for fire-fighting purposes. *2009 Op. Att'y General No. 2009-013*

Ohio Constitution Article II, Section 20, prohibits a county officer enrolled in a county's health care coverage program from receiving, for the remainder of the term the officer was serving when an incentive ("wellness") plan for that program was adopted, the one-month of premium-free health care coverage available under that plan. *2009 Op. Att'y General No. 2009-015*

R.C. 5705.261 authorizes the filing of a petition to submit to the voters the question of a decrease in the rate of a levy approved for a continuing period of time under R.C. 5705.19. The statutory history of R.C. 5705.19 and R.C. 5705.261 indicates that R.C. 5705.261 applies to every continuing levy approved by voters under R.C. 5705.19, regardless of whether R.C. 5705.19 states that a levy for that purpose may be reduced pursuant to R.C. 5705.261. *2009 Op. Att'y General No. 2009-021*

A board of county commissioners is not empowered to

[Louis Stokes](#)

[Gregory W. Stype](#)

[Catherine C. Tompkins](#)

[Dana B. Weiss](#)

Squire Sanders publishes on a number of other topics. To see a list of options and to sign up for a mailing, visit our [subscription page](#).

reorganize a veterans memorial building constructed and operated by a Veterans Memorial Board of Trustees under R.C. Chapter 345 into a convention facility operated by a Convention Facilities Authority under R.C. Chapter 351. However, to the extent permitted under R.C. Chapters 345 and 351, that Board of Trustees and that Authority may cooperate in procuring and operating facilities. *2009 Op. Att'y General No. 2009-023*

In June, we sent out alerts on the residency case and two prevailing wage cases decided by the Ohio Supreme Court that month. These alerts are available through the [publications page](#) of our website.

---

The contents of this update are not intended to serve as legal advice related to individual situations or as legal opinions concerning such situations. Counsel should be consulted for legal planning and advice.

©Squire, Sanders & Dempsey L.L.P.  
All Rights Reserved  
2009

This email was sent by Squire, Sanders & Dempsey L.L.P.  
4900 Key Tower, 127 Public Square, Cleveland, OH 44114, USA

We respect your right to privacy – [view our policy](#)

[Manage My Profile](#) | [One-Click Unsubscribe](#) | [Forward to a Friend](#)