Fiscal Note & Local Impact Statement

127 th General Assembly of Ohio

Ohio Legislative Service Commission
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✧ *Internet Web Site:* http://www.lsc.state.oh.us/

BILL: **H.B. 50** DATE: **May 9, 2007**

STATUS: **As Reported by House Local and Municipal Government and Urban Revitalization** SPONSOR: **Rep. Evans**

LOCAL IMPACT STATEMENT REQUIRED: **No — Permissive**

CONTENTS: **To allow townships to remove junk motor vehicles from public and private property**

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2007	FY 2008	FUTURE YEARS
Townships			
Revenues	Potential gain, perhaps equal to but likely less than removal costs	Potential gain, perhaps equal to but likely less than removal costs	Potential gain, perhaps equal to but likely less than removal costs
Expenditures	Potential increase in junk vehicle removal costs	Potential increase in junk vehicle removal costs	Potential increase in junk vehicle removal costs

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- The bill permits townships, by resolution, to remove any junk vehicle in unincorporated territory. Townships are also permitted to attach a lien on the real estate from which the vehicle was removed, for the cost of the removal.

Detailed Fiscal Analysis

The bill permits a board of township trustees, by resolution, to remove any vehicle in the unincorporated territory of the township that the board determines is a junk motor vehicle. In cases where the junk vehicle is on public property, the board of township trustees may provide in the resolution for the immediate removal of the vehicle. When a junk vehicle is located on private property, the board of trustees may provide for the removal of the vehicle no sooner than seven days after the board serves written notice of its intention to remove the vehicle.

New authority to remove junk vehicles

The written notice issued by the board of township trustees which is to be sent by certified mail, must indicate that the board has determined the vehicle is a junk motor vehicle. Failure to remove the vehicle within seven days will result in the board causing the removal and any expenses incurred in the removal of the vehicle may be entered upon the tax duplicate and become a lien upon the property.

Paying for the removal of junk vehicles

The bill allows a board of township trustees to employ the labor, materials, and equipment necessary to remove or cause the removal of a junk motor vehicle. Any expenses incurred by the township as a result of the removal of a junk vehicle must be paid out of the township general fund from moneys. Additionally, if the expenses for removing a junk vehicle are going to exceed $500, the board of township trustees may borrow money from a financial institution to pay the expenses. Any interest accrued on such a loan could also be added to a lien on the property, if a lien is necessary to recoup the expenses of the removal. Townships that wish to use this junk removal option will experience temporary cost increases for the removal of those vehicles, but could eventually be reimbursed for those expenses when the lien is paid off.

LSC fiscal staff: Terry Steele, Budget Analyst

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