

STATE OF OHIO
Executive Department

OFFICE OF THE GOVERNOR

Columbus

VETO MESSAGE

**STATEMENT OF THE REASONS FOR THE VETO OF ITEM IN
AMENDED SUBSTITUTE HOUSE BILL 494**

DECEMBER 19, 2014

Pursuant to Article II, Section 16 of the Ohio Constitution, which states that the Governor may disapprove any items in a bill making an appropriation of money, I hereby disapprove the following item contained in Amended Substitute House Bill 494 and set forth below the reasons for so doing. The text I am disapproving is identified in this message by reference to the corresponding page and boxed text of the bill.

ITEM

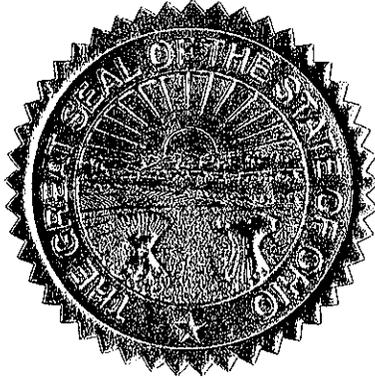
On page 1, delete the following boxed text, beginning with "to amend Section 9 . . .".

On page 1, delete the following boxed text, "to make changes to video lottery terminal facilities,".

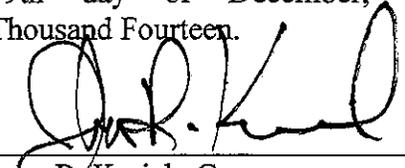
On page 61, delete the boxed text, beginning with "Section 8. . .".

Source of Funds for Certain Communities with Horse Racetracks

The intent of current law is for the State of Ohio to negotiate with racetrack operators to provide an ongoing revenue stream to the local communities in which they are located. Funds for this revenue stream are intended to come from racetrack operations, not the State of Ohio, which this provision would cause to happen. Furthermore, this provision also deviates from the original intent of current law because it would only provide funds to a third of the communities with a racetrack, while effectively leaving other impacted communities deserving of assistance without funding. Moreover, while the language directs the State of Ohio to make payments to select communities, the language lacks the appropriation authority that is constitutionally required in any legislation for the state to make payments. This provision does not meet constitutional standards, violates the intent of current law, and exposes the State of Ohio to litigation. Therefore, this veto is in the public interest.



IN WITNESS WHEREOF, I have hereunto subscribed my name and caused the Great Seal of the State of Ohio to be affixed at Columbus this 19th day of December, Two Thousand Fourteen.



John R. Kasich, Governor

This will acknowledge the receipt of a copy of this veto Message of Amended Substitute House Bill 494 that was disapproved in part by Governor John R. Kasich on December 19, 2014.

Name and Title of Officer

Date and Time of Receipt

AN ACT

To amend sections 133.01, 715.70, 715.71, 715.74, 4301.80, 4303.181, 4504.08, 4504.09, 5747.24, 5747.331, and 5751.52, to enact sections 4504.22 and 5595.01 to 5595.13 of the Revised Code, to amend Section 9 of Am. Sub. H.B. 386 of the 129th General Assembly, as subsequently amended, to amend Section 363.487 of Am. Sub. H.B. 59 of the 130th General Assembly, and to amend Section 363.10 of Am. Sub. H.B. 59 of the 130th General Assembly, as subsequently amended, to authorize counties to undertake regional transportation improvement projects funded by the issuance of securities and by revenue pledges from the state and political subdivisions and taxing districts located within the cooperating counties, to increase the amount of time a person may spend in Ohio before being presumed to be a resident for state income tax purposes, to authorize taxpayers eligible to claim a tax credit for qualified research and development loan payments to claim the credit, retroactive to taxable years beginning in 2008, against the income tax, to authorize municipal corporations and townships to create a community entertainment district as part of a joint economic development district contract, to make changes to video lottery terminal facilities, and to make an appropriation. JRK

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 133.01, 715.70, 715.71, 715.74, 4301.80, 4303.181, 4504.08, 4504.09, 5747.24, 5747.331, and 5751.52 be amended

The above boxed and initialed text was disapproved.

Date: 12-19-14


John Kasich, Governor

SECTION 7. That existing Section 363.10 of Am. Sub. H.B. 59 of the 130th General Assembly, as amended by Am. Sub. H.B. 483 of the 130th General Assembly, is hereby repealed.

SECTION 8. That Section 9 of Am. Sub. H.B. 386 of the 129th General Assembly, as amended by Am. Sub. H.B. 59 of the 130th General Assembly, be amended to read as follows:

Sec. 9. (A) As used in this section, "permit holder" and "track" have the same meanings as in Section 7 of this act.

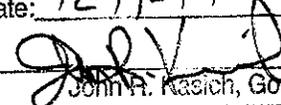
(B) ~~The Governor, in consultation with the State Racing Commission, shall discuss, negotiate in good faith, and reach an agreement with necessary parties regarding providing five~~ Five hundred thousand dollars per year, for three years, with the first payment by December 31, 2014, and annually thereafter; shall be paid to the municipal corporations or townships receiving moneys from the Casino Operator Settlement Fund under Section 10 of Am. Sub. H.B. 386 of the 129th General Assembly, as subsequently amended in which a track was relocated, and not exempted from a relocation fee, under Sub. H.B. 277 of the 129th General Assembly. One-half of each annual payment shall be paid by the permit holder of the track to that municipal corporation or township. The remaining one-half shall be paid from the Casino Operator Settlement Fund. If a permit holder fails to make any of the annual payments required under this section, the State Lottery Commission, after affording the permit holder an opportunity for an adjudication under Chapter 119. of the Revised Code, shall revoke the permit holder's license to operate as a lottery sales agent that operates video lottery terminal games under Chapter 3770. of the Revised Code.

JRK

SECTION 9. That existing Section 9 of Am. Sub. H.B. 386 of the 129th General Assembly, as amended by Am. Sub. H.B. 59 of the 130th General Assembly, is hereby repealed.

The above boxed and initialed text was disapproved.

Date: 12-19-14


John R. Kasich, Governor