

# OTA LEGISLATIVE PRIORITIES

OTA advocates and advances issues at the Ohio Statehouse on behalf of the trucking industry. We take your problems and find solutions, that is what we do best.

The legislative agenda is directed and monitored by our Legislative Committee. The committee membership is open to all current members of the association and meets monthly by conference call.



SUMMER 2023

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## **Protection from Predatory Towing**

Egregious towing bills on police ordered tows of commercial vehicles are becoming all too common. Bills over \$100,000 are on the rise with tows costing \$50,000-\$80,000 being commonplace. While we have made great progress with changes in laws regarding allowing law enforcement to allow companies to arrange their own tows, if in a reasonable timeframe, and removing immunity for negligent damages by towing companies, there is still much work to be done.

#### STATUS:

Multiple bills have been passed (SB 274 in 2014 and SB 341 in 2017) to address predatory towing practices. OTA hopes to build off this work by identifying more areas of improvement and working with stakeholders to get further reforms signed into law.

## **Fuel Tax Parity**

During the 2019 transportation funding bill the legislature increased the revenue for roads in the form of a fuel tax increase, something the Ohio Trucking Association supported, but they increased the diesel tax by 8.5 cents more than gasoline. This is the first time in Ohio's history that the fuel tax has been bifurcated. While we advocated for paying our fair share, trucking now pays well over 50% of the taxes and fees for Ohio's roads, while only operating 10% of the total vehicle miles. The Ohio Trucking Association is resolute in our policy that we will not support any increase or indexing of the diesel tax until the gasoline tax rate is raised to match diesel tax.

#### STATUS:

There have not been attempts to further increase Ohio's fuel tax; however, there were efforts in the 134th Ohio General Assembly to reduce the fuel tax to pre-2019 levels.

## **Sales Tax Exemption for Forklifts**

Ohio currently exempts sales and use tax for forklifts purchased for manufacturing, yet does not extend this tax exemption for those in the logistics industry like our neighboring state of Indiana. This puts Ohio's logistics industry, as well as Ohio-based forklift manufacturers and retailers, at a competitive disadvantage.

#### **STATUS:**

Legislation was introduced in the 134th Ohio General Assembly and OTA will work to reintroduce it next legislative session.

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# For-Hire Motor Carrier Sales Tax Exemption

Ohio law provides a sales tax exemption on vehicles and equipment that are primarily used in highway transportation for hire (TH). Those eligible for the TH exemption need to provide the Ohio Department of Taxation their PUCO number or their Interstate Commerce Commission number. Unfortunately, the Department of Taxation is often requiring companies to verify their tax exempt eligibility on each purchase. This antiquated process has become an accounting and administrative burden on companies, which are being forced to provide verification on hundreds of purchases. This process needs to be streamlined to allow Ohio's for-hire motor carriers to more easily verify their tax exempt status.

#### STATUS:

The Ohio Trucking Association has coordinated meetings with the Department of Taxation and impacted members to discuss ideas on how to improve the verification process.

### **Third Party Litigation Financing Reforms**

Protecting the industry from lawsuit abuse remains a priority for the Ohio Trucking Association. We created the Lawsuit Abuse Task Force within the Association to develop a comprehensive proposal that will increase transparency and create a better legal climate for trucking companies in Ohio.

#### STATUS:

SB 94 was introduced by Senator Steve Wilson (R-Maineville) that would strengthen Ohio's laws regarding third party litigation financing, or when an entity "invests" in a pending civil lawsuit by making cash advances to consumers and attorneys. SB 94 received multiple hearings in the Ohio Senate, but was never passed. The Ohio Trucking Association hopes to work with legislators to build upon SB 94 by implementing further reforms recommended by the Lawsuit Abuse Task Force.

