



**STRONGER COUNTIES.  
STRONGER OHIO.**



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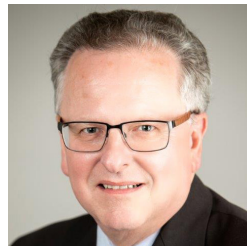
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# STRONGER COUNTIES. STRONGER OHIO.

## CCAO PLATFORM KEY PRIORITIES

Ohio's 88 counties serve as the arm of state government charged with providing vital services to Ohioans on the state's behalf. County government provides an array of valuable programs and services affecting the day-to-day lives of Ohio residents unmatched by any level of government. From providing public safety to economic development to human services and more, county government's impact on the individual lives of Ohioans is profound.

Ohio's counties and the state are fundamentally connected, and it is our shared responsibility to make Ohio stronger so that our citizens and communities can thrive. In this mutual quest to achieve common goals, a strong partnership is vital.

The state-county partnership has experienced significant challenges over the years. The loss of the Medicaid managed care organization (MCO) sales tax and severe reductions in the Local Government Fund (LGF) have eliminated over \$300 million per year in county revenue. While casino revenue has helped fill some of this gap, adding back about \$100 million per year, it is not a panacea.

The continuing opiate epidemic strains justice and public safety budgets. County jail facilities are overcrowded, aging and ill-equipped to handle Ohio's changing jail populations. Limited county revenues are being increasingly called upon to meet ever-growing demands.

Fortunately for counties, there have been positive developments in the state-county partnership which provide a pathway for future successes. Historic state investments in indigent defense reimbursement and Children Services provided much-needed resources into these critical areas. The most recent state capital budget included \$50 million for county jail construction and renovation. The state's modernization of Ohio's sales tax statutes regarding remote sales has also bolstered a key county revenue stream. The governor and General Assembly's efforts to modernize the funding of Ohio's transportation infrastructure has also provided new resources needed to keep Ohioans and businesses moving freely. These actions and more serve as the foundation for the next phase in strengthening the critical state-county partnership.

CCAO's legislative platform outlines scores of ways to further strengthen counties and enhance the partnership. While all are important, three key pillars underpin the health of the state-county partnership in the years ahead.

### ONE – REVENUE STABILITY AND FULFILLING STATE FUNDING RESPONSIBILITIES

The state must dedicate adequate resources to counties to ensure that counties, as the state's agent, can successfully accomplish the state's mission and directives at the local level. This requires the state to:

- Assume full funding responsibility for indigent defense. The state made great progress in H.B.166 to provide counties with additional resources to fund indigent defense costs. Now is the time for the state to take the final step and finally relieve counties of this state-mandated funding obligation and return it to where it rightfully belongs – the state.
- Restore the LGF to its previous statutory level of 3.68% of the General Revenue Fund (GRF) taxes, creating an additional \$145 million annually for counties. Currently the LGF receives 1.68% of GRF taxes, as compared to 3.68% in 2008.

- Ensure that counties do not bear the financial burden of implementing the federal Family First Prevention Services Act. This looming federal requirement threatens to further strain county resources, which still constitute the largest share of funding for the child welfare system.

## **TWO – ECONOMIC DEVELOPMENT**

County government must be given an even greater role in promoting a climate that encourages strong economic development. Modern, well maintained public infrastructure, coupled with a dependable skilled workforce are vital when it comes to attracting businesses to Ohio's communities. The state can partner with counties to create a job friendly environment by focusing on these top policy priorities:

- Expand access to broadband technology to unserved and underserved areas and ensure that counties have a seat at the table in shaping future expansion efforts.
- Ensure that counties help to set the agenda for JobsOhio and other state economic development agencies.
- Address the needs of modern water and sewer infrastructure.

## **THREE – PRESERVATION OF THE SALES TAX BASE**

Protecting county resources by preserving the sales tax base is critical for county fiscal stability. The sales tax is the most important revenue source for both the state and for counties, yet the General Assembly continually carves out new exemptions from the sales tax. Ohio must protect the existing sales tax base from further erosion and carve outs.

# AGRICULTURE AND RURAL AFFAIRS

**Chair: Tony Bornhorst, Shelby County Commissioner**

**Vice Chair: Bill Clinger, Wyandot County Commissioner**

**Staff: Adam Schwiebert, Policy Analyst**

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Agriculture is Ohio's No. 1 industry, contributing more than \$100 billion annually to the state's economy and employing one in seven Ohioans. CCAO recognizes that agriculture will continue to diversify, requiring resources and innovation to address the increasingly complex challenges and promising opportunities of the future.

Water quality is a complex challenge impacting the agricultural industry via nonpoint source nutrient losses. Agricultural producers who utilize best management practices to reduce nutrient runoff should be recognized for their efforts to improve water quality. However, there also must be a continued emphasis on those producers who do not employ best management practices or make the protection of water quality a priority on their operations. All agricultural producers, along with their industry partners, must make protecting water quality a priority if Lake Erie's health is to improve.

Continued research and funding are needed to solve these challenges. Ohio has increased its commitment to improved water quality through enhanced support for Soil and Water Conservation Districts, OSU Extension, the H2Ohio Fund and other initiatives.

It is imperative that this support continue forward, as much remains to be learned and more work needs to be done before long-term water quality improvement is achieved. Continued collaboration among industry and federal, state and local governments as well as centers of higher education is critical to addressing this problem.

Additionally, high-speed internet access in rural Ohio is an ongoing challenge that must be addressed to unlock the economic, educational, medical and other benefits that a connected society provides. Too many Ohioans are still unable to access these benefits because of a lack of high-speed internet access. Ohio has taken initial steps to address this problem, but the state must expand upon those efforts.

## COMMITTEE PRIORITIES

### WATER QUALITY

Water quality has become one of Ohio's highest priorities. Wastewater treatment plants, combined sewer overflows and bypasses, industrial discharges, failing home sewage treatment systems, dredge material disposal and runoff from agriculture all are contributing excessive amounts of nutrients to our waterways.

## THE FEDERAL, STATE AND LOCAL GOVERNMENTS AS WELL AS THE AGRICULTURAL INDUSTRY MUST ALL PLAY A ROLE IN PROTECTING OHIO'S WATER RESOURCES.

Agriculture is working to implement best management practices such as the 4 R's – the right fertilizer, the right rate, at the right time, in the right place. Cover crops, manure management and effective drainage are also important. More farmers are utilizing soil testing data for precision fertilizer application. As better management practices are identified, they must be accompanied by education that gives the producers the knowledge and tools to implement them.

Historic storm events that produce heavy rainfall have been identified as a significant challenge. These storms cause a large percentage of nutrients to leave fields and enter watersheds. These heavy rains are also consequential for point sources such as wastewater treatment plants, which need funding to upgrade infrastructure. Nutrient losses from other nonagricultural sources such as golf courses and homesites should be examined as well.

### SOIL AND WATER CONSERVATION DISTRICTS

CCAO supports a state funding match to incentivize investment in Soil and Water Conservation Districts

## AGRICULTURE AND RURAL AFFAIRS

(SWCDs). It has long been CCAO's policy to support a 1:1 state to local match for SWCD funding.

H.B. 166 of the 133rd General Assembly made a meaningful investment of \$5 million per year for Soil and Water Conservation District matching funds. It is critical that the state maintain this investment and ensure that all counties have the necessary state resources available to address the unique challenges facing their communities.

SWCDs provide expert assistance to address both agricultural and urban concerns. SWCDs are locally led by a board of five elected county residents to address local priorities. SWCDs:

- Work closely with Ohio's agriculture industry to reduce nutrient impacts suspected to contribute to harmful algal blooms (HAB's). This includes the development of written nutrient management plans; recommending best management practices; and, by designing and supervising construction of water management structures.
- Leverage federal funding from USDA and other sources for local projects.
- Assist with storm water management and flood prevention through urban programs as well as ditch maintenance and stream obstruction removal projects. SWCD's help county commissioners resolve citizen drainage issues.
- Install best-management practices through nutrient credit trading programs, helping to reduce the cost of a treatment plant or point source upgrades by implementing less costly non-point source conservation practices.
- Encourage the wise use or conservation of natural resources so they can be used by current and future generations.

Additionally, any enforcement of agricultural regulations should be done by the Ohio Department of Agriculture (ODA) or Ohio Environmental Protection Agency (OEPA) while SWCDs main functions should be maintained as an advisory role. It is critical that the trust and relationships SWCDs have with local farmers be maintained.

## FUNDING FOR WATER QUALITY IMPROVEMENTS, EDUCATION AND RESEARCH

CCAO supports continued funding for the H2Ohio Fund. Improving water quality will require sustained state investment in projects and best practices across the state. Whether in assisting farmers with modern equipment and technology to reduce nutrient runoff, restoring wetlands, or replacing failing septic systems, the H2Ohio Fund is an important resource for water quality improvement efforts. H2Ohio programs have shown great interest from agricultural producers, and it is important that this momentum is continued and expanded so that all areas of the state benefit from this vital program.

CCAO supports more state funding for Ohio's research centers to study water quality issues. Heidelberg University's National Center of Water Quality Research, University of Toledo's Lake Erie Center and Ohio's Sea Grant program, including Ohio State University's Stone Lab, are on the forefront of studying water quality issues.

These institutions work to maintain the health of Lake Erie and support the many economic activities associated with the lake. They monitor and seek solutions to problems around water quality, invasive species and a host of other issues. These research centers also train teachers, P-12 students and college students in key science disciplines and educate a new generation of consumers about the critical nature of Lake Erie's well-being.

CCAO is encouraged by recent grants from the Ohio Department of Higher Education's Harmful Algal Bloom Research Initiative, as well as the hiring of a Water Quality Director by the College of Food, Agricultural and Environmental Sciences at The Ohio State University.

Future research should examine the causes of increased phosphorus solubility, as increases in dissolved reactive phosphorus have driven algal bloom development in recent years even while farmers have applied less product.

## RURAL BROADBAND AND COMMUNICATIONS INFRASTRUCTURE

At least 300,000 households in Ohio lack access to reliable high-speed broadband internet service,



## AGRICULTURE AND RURAL AFFAIRS



### **AT LEAST 300,000 HOUSEHOLDS IN OHIO LACK ACCESS TO RELIABLE HIGH-SPEED BROADBAND.**

with many of these unserved households located in rural areas. Broadband provides access to countless economic, educational, health, and social resources. This broadband gap must be closed if every Ohio county is to thrive.

### **ACCESS TO RELIABLE AND AFFORDABLE HIGH-SPEED INTERNET IS ONE OF THE GREAT SOCIAL EQUALIZERS OF OUR TIME.**

The DeWine administration and General Assembly have made good initial progress in recognizing the broadband challenge. The release of Ohio's first-ever broadband strategy in late 2019 laid the groundwork for addressing Ohio's broadband challenges and opportunities. The creation of the state broadband office, BroadbandOhio, provides a central location to coordinate expansion efforts with state agencies, internet providers and local governments.

H.B. 13 of the 133rd General Assembly is another promising proposal to assist in broadband expansion efforts. The \$20 million residential broadband expansion program would help overcome cost hurdles currently preventing broadband service to unserved and underserved areas of the state. These types of public-private partnerships will be necessary going forward if Ohio wishes to shrink its significant broadband gap.

Counties look to play a role in expanding broadband service to their residents. Numerous federal, state and nonprofit broadband grant programs create a complex web for counties to navigate. The state should assist counties in detailing which programs are available and how counties may participate in these programs.

Counties are eager to find ways to provide their local insights and efforts into expanding broadband service within their communities as part of a broad statewide strategy. This state strategy should be open to all forms of broadband technology and providers and take affordability factors into consideration. State grants to a wide range of broadband providers will likely be necessary to ensure project feasibility.

Counties look to secure more reliable cell phone service across all portions of the state. Counties would also like to continue to explore ways to provide cost-efficient emergency services communications and secure adequate funding to provide these critical services. This can range from partnerships for radio systems and towers to appropriate implementation of Next Generation 9-1-1. Counties should have the authority to make use of utility infrastructure, such as cell, MARCS and cable towers, for county emergency communication equipment.

#### **RURAL ROAD FUNDING**

While CCAO supports the expansion and development of agribusinesses as well as all industries, including new energy infrastructure development, counties need resources and assistance to address new infrastructure demands caused by this expansion and development. County roads are impacted by the development of new industries in rural areas and the day-to-day operation of certain facilities. CCAO supports additional grants and resources from the state to help finance such

# AGRICULTURE AND RURAL AFFAIRS

infrastructure. Such grants should give consideration to the amount of roadway impacted.

CCAO also supports a requirement that any industry that unduly impacts roadways consult with commissioners and engineers to identify financing for infrastructure improvements or road use maintenance agreements. These industries should assume some responsibility when roads have been unduly impacted. CCAO also supports a restructuring of the fees and fines associated with load limits on highways to combat irresponsible use of county roadways.

CCAO supports a requirement that, in addition to local governments, county engineers should be notified of anticipated major new operations or expansions of businesses. County engineers also should be permitted more flexibility in force account projects to provide for road and bridge repair.

CCAO recommends the state's economic development efforts focus various incentives and/or development grant monies toward development of rural infrastructure necessary to support the agriculture industry. Also important is maintaining access to key processing facilities in urban areas that are utilized by the agriculture industry.

## FEDERAL WATERS OF THE U.S. RULES

In April 2020, the US EPA and Department of the Army published the final rule in the Federal Register to provide a revised definition of Waters of the United States (WOTUS) under the Clean Water Act. WOTUS has been the subject of long-running litigation and regulatory uncertainty over where federal jurisdiction begins and ends for protected wetlands. Previous version of the rule would have expanded federal jurisdiction to impact certain county owned and maintained waterways. As the new rule is implemented, counties wish to work with federal and state regulatory agencies to achieve a pragmatic implementation that advances clean water goals without hindering counties' vast infrastructure responsibilities.

## DRAINAGE

Drainage infrastructure is critical to property protection and agricultural soil productivity maximization. Ensuring adequate maintenance of rivers, creeks, and other tributaries is an important

component of effective water management. CCAO applauds the recent reform of Ohio's petition drainage statutes and will continue to monitor the updated process for further potential improvements.

## FARMLAND RESTORATION

Parts of rural Ohio have seen significant utility construction in recent years, particularly pipeline construction, which has impacted many acres of Ohio farmland. While these projects help generate economic activity, they also can negatively impact soil productivity and damage drainage systems along the construction route. The failure to replace topsoil to an adequate depth and repair preexisting drainage systems can greatly reduce soil productivity and require significant landowner expense to return the land to its original productivity.

All pipeline construction projects in Ohio crossing agricultural land should incorporate the Ohio Pipeline Standards and Construction Specifications developed by the Ohio Department of Agriculture. These standards ensure that farmland affected by pipeline construction will be returned to its previous productive state once construction has concluded.

## CURRENT AGRICULTURAL USE VALUATION

The General Assembly undertook a significant rewrite of the Current Agriculture Use Valuation (CAUV) formula in H.B. 49 of the 132nd General Assembly. By restructuring the capitalization rate calculation, CAUV rates have experienced appreciable declines beginning in Tax Year 2017. These declines are likely to continue as the second phase of formula changes takes place from 2020-2022.

The fiscal impact of the reworked CAUV formula should be monitored as formula changes are fully implemented. The recent declines have helped bring property tax relief to farmers who experienced historic CAUV value increases in past years, but CCAO also recognizes that property taxes are important sources of revenue that provide for many county services, fund our schools and support our townships.

CCAO also supports the work of county auditors to enforce CAUV eligibility to ensure that those who benefit from the program utilize the land for its lawfully intended purpose.

### COMMITTEE RECOMMENDATIONS

#### FUNDING OF OHIO STATE UNIVERSITY EXTENSION

CCAO supports increasing the level of state and federal support for OSU Extension provided that an appropriate share of new funds will be used to relieve county general fund contributions. Maintaining an OSU Extension educator in each county and building capacity in priority program areas should be the top priorities.

OSU Extension builds better lives and stronger communities through partnerships and sharing knowledge; supports Ohio's number one industry, agriculture; and develops future leaders through 4-H. Each county's OSU Extension program works with county government to meet local needs with the input of local people to most efficiently use scarce resources. In addition to agriculture and 4-H, OSU Extension administers federally funded nutrition education programs; helps individuals, families and businesses manage resources; and supports community development. On-farm research to study nutrient management is identifying ways to reduce harmful algal blooms (HAB's) in Ohio's lakes. 4-H members gain skills that prepare them to enter the workforce through community clubs and school programs. People of all ages learn to "live healthy, live well" and better manage finances through OSU Extension.

CCAO supports OSU Extension in efforts to provide flexibility in staff distribution and programming. Furthermore, OSU Extension must also remain flexible and open to commissioner input to allow for counties to utilize Extension expertise and resources in the most effective manner for each specific county and in a manner that recognizes limited county resources.

#### FARMLAND PRESERVATION

CCAO supports fair and equitable policies to encourage the preservation of economically viable agricultural land and protect it from urban encroachment and conflicting land uses. Farmland preservation should be promoted to maintain a thriving agricultural industry and foster the expansion and development of agribusiness.

The need for farmland preservation should be included in any comprehensive county land use plan

and determined through a local consensus-building process involving municipalities, townships, school districts, local development and business interests, farmers and the general public.

Legislation also should be enacted to give counties the tools they need to preserve farmland and encourage quality urban development while respecting property rights. This includes legislation to allow counties to increase the period of recoupment for CAUV, with the added proceeds going towards farmland preservation efforts, agricultural economic development, comprehensive planning and infrastructure projects.

### ANY STATE PROGRAM TO PRESERVE FARMLAND SHOULD RECOGNIZE THE PARTNERSHIP BETWEEN THE STATE, LOCAL GOVERNMENTS AND LANDOWNERS, AND THAT SIGNIFICANT STATE MATCHING DOLLARS ARE NEEDED TO SUPPLEMENT LOCAL EFFORTS.

State programs should include technical assistance and funding to assist in local administration, monitoring and enforcement of agricultural easements. In addition, authority should be granted so that the holder of any new easement may charge a fee to support mandated responsibilities.

ODA's Office of Farmland Preservation, in partnership with local governments and private land conservancies, should provide funding for the purchase of agricultural easements to compensate farmers for agreeing to keep agricultural land in farm production permanently. This has occurred due to the successful passage of the Clean Ohio Bond Initiative. CCAO supports a review of Clean Ohio Fund distribution between the Ohio Farmland Preservation Office and Natural Resources Assistance Councils, as well as the inclusion of farmland for eligibility in greenspace/open space project funding. In addition, CCAO supports efforts by the Office of Farmland Preservation to ensure a simpler, user-friendly application for agricultural easements.

## AGRICULTURE AND RURAL AFFAIRS

Another farmland preservation tool is Agricultural Security Areas (ASA). This program was created in 2005 and allows one or more landowners of at least 500 acres of contiguous farmland to enroll into an ASA for 10 years. This will protect the farmland from non-agricultural development. Public-private partnerships should be considered in order to qualify more farmland. Land that is owned by local governments, if the local government would like to participate, should be allowed to help landowners meet the minimum acreage requirement to qualify for an ASA.

When discussing farmland preservation, the development and maintenance of strong urban centers where people want to work and raise a family are important in preventing rural sprawl. In a holistic approach, the state should examine its policies and planning related to urban growth and revitalization of our urban cores.

### FUNDING OF OHIO STATE UNIVERSITY COLLEGE OF AGRICULTURE

CCAO supports funding for academic programs of the College of Food, Agricultural, and Environmental Sciences (CFAES) as well OSU Extension.

Agriculture is a \$100-billion-dollar-plus industry for our state, so a competent agricultural workforce is critical to our economic well-being. The Agricultural Technical Institute (ATI), OSU's two-year program, is the leading producer of two-year degrees in food and agriculture in the U.S. Well over 90% of ATI and CFAES graduates are placed in jobs or continue their education within six months of graduation. Seventy percent of those graduates remain in Ohio, keeping our #1 industry strong. CCAO supports a funding mechanism for ATI that takes into consideration the unique nature of this program – a two-year degree program within a four-year institution – so that it can provide job-ready grads for Ohio employers.

### FUNDING OF OARDC

CCAO supports a continuation of state funding for the Ohio Agricultural Research and Development Center (OARDC) to continue the growth and development of Ohio's agricultural industry, along with stewardship of the environment.

OARDC is the research arm of the College of Food, Agricultural, and Environmental Sciences of The Ohio State University and is a leader in the AgBiosciences that integrates scientific disciplines critical to food production, safety and health; environmental sustainability; and biobased energy, fuel and products.

- OARDC research is conducted on the Columbus and Wooster campuses as well as CFAES 11 outlying research stations and field labs. These locations enable OARDC research to provide direct impact on economic development and regional planning statewide. The close collaboration between OARDC and the OSU network advances knowledge, advances science, and advances industry.
- The State of Ohio's investment in OARDC leverages more than \$175 million in current grants and contracts from both the public and private sectors - a more than \$5 return on investment for every \$1 invested.
- OARDC has a history spanning more than 125 years of providing comprehensive research and development programs to Ohioans in the AgBiosciences. This history has been critical to the growth and competitiveness of our major commodities and value-added industries as well as providing new and emerging industries the science-based information needed to solve problems impacting market sustainability.
- OARDC is an economic engine for Ohio that brings in federal and private-sector grant funds and helps grow businesses.

Additionally, all plant health from the grass, flowers and trees are part of the CFAES mandate to provide a healthy environment for citizens in Ohio. CFAES experts are highly respected and world renowned.

### FAIRGROUND FUNDING

CCAO supports continued state funding for county and independent fairground improvements. Lawmakers should continue investment into agricultural societies via the Agricultural Society Facilities Grant Program. This program, administered by ODA, provided \$4.7 million in grants to county and independent agricultural societies in FY 20 to support capital projects. CCAO hopes the legislature will continue this program into the future.



# GENERAL GOVERNMENT AND OPERATIONS

**Chair: John O’Grady, Franklin County Commissioner**

**Vice Chair: Bill Pursel, Knox County Commissioner**

**Staff: Cheryl Subler, Executive Director and Rachel Massoud, Policy Analyst**

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## COMMITTEE PRIORITIES

### UNFUNDED MANDATES

Counties find themselves in the difficult position of balancing unprecedented revenue losses with escalating costs. Most of this is the result of federal and state policies enacted over the last decade. The loss of the Medicaid Managed Care Organization (MCO) sales tax and reductions in the Local Government Fund (LGF) have resulted in ongoing annual revenue losses of over \$300 million. The loss of Ohio’s grandfather clause to the federal Internet Tax Freedom Act resulted in another approximately \$40 million sales tax loss for counties. Casino revenue has helped fill some of this gap, adding back about \$100 million per year, but exploding costs associated with the opiate epidemic as well as mandates from the state continue.

Unfunded mandates are laws or policies enacted by the federal or state governments that require governments at the next level down to spend money. All bills that Ohio’s General Assembly enacts imposing new or additional requirements on counties should be fully funded by a state appropriation.

Further, the General Assembly should modify or fully fund the following onerous or outdated mandates on county government:

#### Indigent defense

## THE STATE SHOULD ASSUME FULL RESPONSIBILITY FOR FUNDING INDIGENT DEFENSE REIMBURSEMENT.

The state should assume full responsibility for funding indigent defense reimbursement. In *Gideon v. Wainwright* (1963), the U.S. Supreme Court held that the fundamental right to counsel is made obligatory upon the states by the fourteenth amendment.

The state took significant strides in the last biennial budget toward fully funding indigent defense reimbursement. First, the state eliminated the statutory provision limiting reimbursement to 50%. Second, the state increased General Revenue Fund (GRF) funding to a level where reimbursement was projected to be approximately 70% during FY 2020 and 90% during FY 2021. Actual reimbursement for FY 2020 was 75%, however, budget expenditure reductions implemented due to COVID-19 have reduced the projected reimbursement rate for FY 2021 to 70%. The state should take the final step in the FY22/FY23 biennial budget and provide full funding for indigent defense reimbursement.

#### Conducting elections

As new federal and state election requirements have been enacted, adequate federal or state funding has not been provided for certain mandates. CCAO is very concerned about the compounding fiscal burden of these incremental mandates and urges full funding for requirements passed on to counties.

Absent such funding from the state and federal government, and given the unique power of local boards of elections to seek judicial relief in budget deliberations, CCAO recommends boards of election members and staff become state employees and the state fund election services.

In addition, CCAO supports curtailing August special elections and supports consideration of reasonable, potential cost-saving measures such as elections by mail with appropriate guidelines that assure a fair and accurate election.

#### Medically handicapped children

The Department of Health currently has the authority to require counties to withhold inside millage to pay for programs run through the Ohio Department of Health’s Bureau for Children with Medical Handicaps. This state administered public health program should be funded by state revenue sources.

# GENERAL GOVERNMENT AND OPERATIONS

## General health department office space

Office space costs of general health districts should become operating costs of the district in the same way such costs are classified in combined health districts. In addition, the use of voted health levies to fund office space costs should be specifically authorized. It would provide an additional means to eliminate the unfunded mandate on the county general fund, since counties are not required to provide money for health departments' operating budgets.

## Tuberculosis treatment costs

County commissioners have an antiquated statutory duty to pay for treatment and detention costs for those afflicted with tuberculosis (TB). In the past, the Ohio Department of Health has made limited funds available to counties for individual cases with successful treatment outcomes. Help from the state is appreciated, however, with an average of 163 active TB cases each year, the cost can range from several thousand to well over \$100,000 per case. Counties need relief from the unfunded mandate, and the state should either fully fund this duty or put the responsibility in a more logical place.

## LOCAL GOVERNMENT STRUCTURAL REFORMS

CCAO supports efforts to re-examine the structure of county government and explore ways to consolidate services and operations to gain efficiencies. In addition, CCAO seeks consideration of statutes that would assure proposed county charters would reform a county government's structure as well as authorize constitutionally or statutorily granted powers.

CCAO is studying the need to allow consolidation of counties and other local governments in urban counties. In addition, ways should be explored to facilitate the elimination of villages through such efforts as financial incentives or easing the abolishment process.

CCAO seeks specific authority to enable any board of county commissioners to share, combine or reorganize, in a larger district, the duties of the county coroner.

## COMMITTEE RECOMMENDATIONS

### SHARED SERVICES

CCAO seeks the ability for a board of county commissioners to require other county offices (which are funded from the county general fund) to use centralized services for electronic networks and phones as well as security systems.

### QUALIFICATIONS FOR COUNTY ENGINEER

Under Ohio law, any person who seeks the office of county engineer must hold both a professional engineer license and a professional surveyor license. Across Ohio, this has limited the number of citizens eligible to seek the elected office of county engineer to less than 1 percent of the county's population. In a democracy, this seems patently unfair to the citizens wishing to elect from a broad base of qualified citizens.

Therefore, CCAO advocates that the requirement of holding the professional surveyors license be dropped as a requirement for election to the office of county engineer.

### E-COMMERCE APPLICATIONS FOR COUNTY GOVERNMENT

CCAO supports permissive enabling legislation that allows counties to use the full power of the internet to conduct county business. This legislation should provide a broad range of options for counties, including the development of systems by counties, the ability to contract with the private sector to provide services, and the use of county-credit cards to purchase items from online sellers, e.g., Amazon.

To the maximum extent feasible, the legislation should promote economies of scale and coordination of services by requiring commissioners to publicly bid opportunities for county internet business with internet service providers on behalf of county offices.

Recent legislative action has furthered efforts to reduce and minimize newspaper advertising requirements. CCAO supports additional modernization changes so that all county legal notice requirements could use the same reduced approach authorized for counties' competitive bid process.

## GENERAL GOVERNMENT AND OPERATIONS

Counties seek the ability to publish one legal notice in the newspaper and to satisfy the second notice requirement by publishing electronically.

### COUNTY COURTHOUSE RESTORATION AND FACILITIES FUNDING

CCAO supports a state-sponsored building program to help fund and finance the restoration of county courthouses, as well as to develop county administrative offices. In addition, CCAO is exploring expanded financing options to support restoration efforts.

### COUNTY ELECTED OFFICIALS COMPENSATION

CCAO urges that legislation be enacted to ensure that all three commissioners in a county receive the same compensation every year in the future. Because of their split election cycle (i.e., two commissioners elected in the year of the presidential race and one commissioner elected in the year of the governor's race) and timing of legislatively-enacted pay bills, there have been occasions when one commissioner has been closed out of a salary increase for two years. As a result this commissioner has earned less than their two colleagues for doing the same job, since the Ohio Constitution prohibits in-term compensation changes. Commissioners in a county should make equal pay.

### LEASE OF COUNTY REAL ESTATE

CCAO supports legislation to permit county commissioners to lease real property, as well as county-owned towers, to telecommunication companies for a period of up to 30 years.

### COYOTE AND BLACK VULTURE INVESTIGATIONS

H.B. 64 of the 131st General Assembly removed the requirement that counties compensate livestock owners for injuries caused by dogs.

The state has also stopped the practice of reimbursing livestock owners whose animals were killed by coyotes and black vultures. Yet county dog wardens are still required to investigate claims that a coyote or black vulture has injured or killed an "animal" without reimbursement from the Department of Agriculture. In this case, the

law defines the term "animal" to include a horse, mule, sheep, head of cattle, swine, goat, domestic rabbit, or domestic fowl or poultry. In addition, the state should be required to assume statewide responsibility for control of wild animals, including exotic animals.

### LAWS REGARDING DANGEROUS DOGS

With the passage of H.B. 14 in the 129th General Assembly, Ohio's Dangerous and Vicious Dog Laws were revised. No longer were pit bulls automatically classified as a dangerous dog breed. The legislation set up criteria for nuisance, dangerous and vicious dogs. These new classifications have caused some judges to essentially allow "one free bark, one free bite and one free kill," for any dog that is not already registered as a type of dangerous dog. Further legislative clarity is needed.

## CCAO SUPPORTS A LEGISLATIVE SOLUTION TO MAKE IT EASIER TO PROSECUTE AN OWNER OF ANY DOG THAT MAULS OR CAUSES SIGNIFICANT HARM OR DEATH TO A CITIZEN.

### DOG REGISTRATION

CCAO supports continued flexibility in the dog license renewal process. The association also supports "point of sale" registrations when a dog is purchased from a pet store or breeder to enhance compliance with Ohio's dog license requirements.

### APPOINTMENT OF HUMANE AGENTS

Humane societies currently appoint humane agents, with the approval of the county probate judge, who can act in an official law enforcement capacity to enforce laws to prevent the cruelty to animals. Within a municipal corporation the mayor is required to approve such an appointment. CCAO believes, as with a municipal corporation, the commissioners, as the executive authority for the county should approve the appointment of humane agents rather than a member of the judicial branch.

# GENERAL GOVERNMENT AND OPERATIONS

## **HUMANE SOCIETY ABILITY TO APPOINT ATTORNEYS TO PROSECUTE AND HAVE COMMISSIONERS PAY EXPENSE**

Ohio law still permits humane societies to appoint an attorney and may employ one or more assistant attorneys to prosecute misdemeanor violations listed in ORC Section 2931.18, including prevention of cruelty to animals. Such attorneys are to be paid out of the county treasury or the dog and kennel fund in an amount approved as just and reasonable by the board of county commissioners. CCAO is requesting this mandate be eliminated or to at least change the law to require the consent of the board of county commissioners.

## **DATA BOARD/INFORMATION SERVICES**

Legislation enacted decades ago allowing for the establishment of the county automatic data processing board is outdated and reflective of past technology.

## **LEGISLATION SHOULD BE ENACTED GIVING COUNTY COMMISSIONERS ADDITIONAL ORGANIZATIONAL OPTIONS FOR DATA PROCESSING, INFORMATION SERVICES AND RECORDS MANAGEMENT.**

The first option is to allow the board of county commissioners or the data board itself to appoint the chief administrator of the data center by amending ORC Section 307.844, which currently designates the county auditor as the appointing authority.

The second option is to allow the county commissioners to establish a county information services board to replace the data board, microfilm board and records commission, and to allow the commissioners or the county information services board to appoint the chief administrator. The county information services board would assume all information and records related functions of these separate boards.

## **PUBLIC RECORD STATUS OF 9-1-1 TAPES**

Tapes of 9-1-1 calls should not be subject to release as a public record in the case of death, accident, illness or similar event until relatives of the affected party have been notified. Tapes of 9-1-1 calls also should not be subject to release until the prosecutor determines whether they will be used for criminal prosecution and, after petitioning a court, the court prohibits their release. After conclusion of the legal proceedings, the tapes will then become subject to release.

## **COMMISSIONERS SUNSHINE LAW**

CCAO supports clarifications to the Sunshine Law that require full compliance when the commissioners perform legislative type functions, but exempts executive and administrative functions.

In addition, CCAO supports allowing public bodies to hold and attend meetings and hearings virtually through teleconference, video conference or similar technology. Public officials at these virtual meetings should be able to electronically attend, vote and be counted for quorum purposes. Existing notice requirements should be maintained and public access to virtual public meetings should be ensured. H.B. 197 and H.B. 404 of the 133rd General Assembly provided this option for public bodies during the COVID-19 declared emergency, and the practice has boosted public engagement and county government efficiency. Previously, this authority had been authorized by law for certain joint county ditch maintenance meetings. Priority uses for such meetings include emergency-related situations, regional collaboration related meetings or other joint jurisdictional meetings.

## **CCAO SUPPORTS ALLOWING PUBLIC BODIES TO HOLD AND ATTEND MEETINGS AND HEARINGS VIRTUALLY THROUGH TELECONFERENCE, VIDEO CONFERENCE OR SIMILAR TECHNOLOGY.**



# GENERAL GOVERNMENT AND OPERATIONS

## PUBLIC RECORDS IDENTITY THEFT PROVISION

CCAO commends the General Assembly's commitment to preventing identity theft that can occur from public records requests. CCAO has worked with numerous local government officials, law enforcement and legislative members in drafting legislation to accomplish this goal. Because county governments handle such vast amounts of the public's sensitive, personal information, CCAO supports legislation allowing, but not requiring, county governments to use cost recovery for redaction and masking technologies.

## RECORD RETENTION MANAGEMENT

CCAO supports continued changes to retention requirements enabling cost-saving methods for storing and maintaining public records.

## RESTORATION OF THE PUBLIC DUTY RULE / REDUCING LIABILITY EXPOSURE

Based upon the Ohio Supreme Court's decision in *Estate of Graves v. City of Circleville* (2010 Ohio 168), a county employee is potentially liable for their conduct which is found to be wanton and reckless even where that employee did not owe a duty to an individual member of the public. While sovereign immunity protects county employees in instances of mere negligence, if a county employee can be shown to have acted wantonly or recklessly in the performance of a duty they are required to perform, under statute they may be held liable for their actions. The determination of whether a county employee's actions amount to wanton or reckless conduct is a question of fact that usually requires a jury trial.

We seek a restoration of the public duty rule to protect county workers in performing the tasks of their already very difficult job. A deputy sheriff acting to protect citizens or a children service agency worker acting to protect a child's interests should not be hampered by the fear of being held liable for their actions stemming from a mistake the deputy or worker did not intentionally make.

## COUNTY EMPLOYEE RELATIONS

Counties are requesting various changes in Ohio's laws to help employers manage county offices in a

cost-efficient manner for Ohio's taxpayers, including more options in establishing alternative leave schedules.

In addition, Ohio's collective bargaining law needs to be brought into line with the National Labor Relations Act (NLRA). The playing field should be leveled between employers and employees in this area. Furthermore, counties seek the ability to go to common pleas court as opposed to binding arbitration (to resolve disputes around collective bargaining).

## EMPLOYEE COMPENSATION

At a time when many county appointing authorities are freezing salaries or reducing them through furloughs, there remains the ability, and the occurrence from time-to-time, whereby certain county appointing authorities go against the norm in the courthouse to control spending and provide salary adjustments to their staff. These increases can come by way of a judicial court order to a board of county commissioners for more money in the personnel line item or by other appointing authorities who can seek court action. Therefore, CCAO seeks the ability for a board of county commissioners to moderate the ability of the common pleas court and its divisions along with the board of elections, the county prosecutor and the veterans service commission from granting pay raises that exceed the annual percentage amounts approved by the county commissioners for the other county elected officials' staff salaries.

In addition, CCAO seeks the following benefit changes:

- Provide counties with authority similar to the state, so that an employee can choose to receive their payout of accrued but unused leave time in two calendar years, as opposed to one.
- Limit the amount of vacation time employees can accumulate and carry on the books at any time to an amount not to exceed what can be earned in two years at the current rate of accumulation based on years of service.
- Specify that the sick leave schedule provided in the Ohio Revised Code provides the maximum amount of sick leave that can be granted to an

# GENERAL GOVERNMENT AND OPERATIONS

employee in the absence of a collective bargaining agreement. Case law has interpreted the statutory provisions to be a minimum floor.

- Clarify that an appointing authority can provide a cash incentive to employees to induce retirement.

## WORKERS' COMPENSATION

CCAO supports and will work with a coalition of public and private employers to streamline and reform the Ohio workers' compensation system to reduce opportunities for abuse, control costs, encourage workplace safety efforts and ensure that workers who need help get it quickly and efficiently. Counties will continue to explore alternatives to provide workers' compensation savings when possible.

In addition, counties seek to collaborate with the Ohio Bureau of Workers' Compensation and other public employer associations to enhance the current group rating, group retro and self-insurance programs, and to explore the feasibility of other options such as employer association sponsored group self-insurance programs.

## UNEMPLOYMENT COMPENSATION ELIGIBILITY

CCAO seeks changes to the Unemployment Compensation (UC) rating system that grants reimbursing employers similar appeal rights to contributory employers – particularly for non-separating reimbursing employers who are still employers of record in a claimants' benefit period. CCAO also supports revisiting eligibility criteria to receive UC benefits in Ohio. In addition, CCAO recognizes that some relief has been granted to employers of seasonal workers, and CCAO supports legislation to exempt seasonal and temporary workers from unemployment compensation.

## CONFIDENTIALITY OF PERSONNEL FILES

CCAO supports legislation to restrict access to public employee personnel information, except disciplinary action and performance evaluations.

## DRUG TESTING

CCAO supports authority enabling counties to conduct drug testing programs to improve employee performance and safety in the workplace such as random testing on a lottery basis, testing after accidents and post offer / pre-employment drug testing of prospective county employees. Testing in such realms is limited based on Constitutional provisions, but some testing can be conducted based on certain job duties and conditions.

# HUMAN SERVICES

**Chair: Kathryn Whittington, Ashtabula County Commissioner**

**Vice Chair: Carolyn Rice, Montgomery County Commissioner**

**Staff: Rachel Massoud, Policy Analyst**

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State and local governments work together to provide programs that help citizens achieve and maintain employment, protect children and older adults and, when necessary, connect families to food, transportation, child care, clothing and shelter.

While most of these programs are designed to provide services to those in crisis, counties focus on a work-first approach that addresses the root cause of the crisis and prevents the need for services in the future. County departments of job and family services, public children services agencies and child support agencies have begun to redesign service delivery and collaborate and share services in unique and innovative ways to meet the complex needs of clients.

Ohio's 88 counties exhibit vast differences in their economies, demographics and populations. Because of this diversity, CCAO urges the Governor and General Assembly to maintain county funding levels and flexibility between funding streams to the extent possible under federal law, so that each county can prioritize services based on the local need and demand for services.

CCAO supports the following initiatives:

- Increasing state investments in child protection, adult protective services and family and children first councils.
- Sustaining state support for Ohio Benefits, Ohio's integrated benefit eligibility system, and enterprise document management.
- Providing adequate resources for counties to implement the Medicaid work requirement.
- Modernizing child support processes and forms.
- Allowing commissioners to appoint members of the Veteran Service Commissions (VSC) along with the ability to review and revise VSC budgets.
- Retaining commissioners as the authority for property tax levies that fund health districts and granting them discretion on the type, millage and duration of the levy.

## COMMITTEE PRIORITIES

### GROWING CONCERNS FOR CHILD PROTECTION

One of the most difficult tasks facing counties is the administration of programs and services for abused and neglected children. Recently, Ohio has seen an increase in opiate use that has reached epidemic proportions, spanning communities of every size and demographic. The fallout from this epidemic has caused significant challenges for the child protective system. The 2019 state budget added \$65 million per state fiscal year to the state child protection allocation that flows to counties. Following the onset of the COVID-19 pandemic, the state was forced to make budget cuts and this amount was reduced to an additional \$50 million in FY 2021, bringing the total investment to \$110 million for the fiscal year. These investments must be sustained and increased in order for the system to meet expected challenges.

Parental addiction has caused an increase in the number of children in custody and the reunification process takes much longer. Placement costs for these families are steadily eating away at children services resources and county budgets are becoming overwhelmed by this new need. Even counties who have successfully passed levies to cover these important services are struggling to provide the resources required.

### **PLACEMENT COSTS FOR THESE FAMILIES ARE STEADILY EATING AWAY AT CHILDREN SERVICES RESOURCES AND COUNTY BUDGETS ARE BECOMING OVERWHELMED BY THIS NEW NEED.**

When reunification is possible, many of these children need additional services to deal with the residual effects that come from living with addicted

## HUMAN SERVICES

parents, including depression, anxiety, PTSD, and behavioral and learning difficulties.

Furthermore, opiate cases tend to be extremely traumatic for everyone involved, including child protective caseworkers. The system is now facing a workforce shortage due to higher than normal turnover, placing even more pressure on this delicate system.

Multi-system youth account for a high percentage of placement costs across Ohio. Multi-system youth are those in need of services from two or more of the following systems: child protective services, mental health and addiction services, developmental disabilities services, and juvenile court. The 2019 state budget allocated \$25 million GRF per year to assist counties in providing services to multi-system youth. CCAO supports the continuation of these funds that aid counties with increasing placement costs.

In the 2019 state budget, the General Assembly also declared its intent to cease the practice of custody relinquishment for the sole purpose of gaining access to services for multi-system youth. \$18 million was appropriated over the biennium to the Department of Medicaid “Multi-System Youth Custody Relinquishment” fund for this purpose. The state has since allocated these dollars to counties through local family children first councils. CCAO supports the continuation of funds to prevent custody relinquishment.

## CCAO SUPPORTS THE CONTINUATION OF FUNDS TO PREVENT CUSTODY RELINQUISHMENT.

Public children services agencies can safely reduce the number of children entering foster care by implementing alternative response. This allows agencies to partner with families to use wrap around services before a placement is needed, supporting relatives and other kin to prevent children from being placed with unrelated foster or congregate care and aggressively seeking permanent adoptive homes when children cannot be reunified with their birth family. Unfortunately, many counties have had to reduce or eliminate these best practices due to exorbitantly high placement costs – meaning higher expenditures and poorer outcomes in the long run.

CCAO strongly encourages an increased state investment in child protection to enlist and retain quality case workers and recruit foster parents for the increasing number of children who need placements, as well as support best practices and in-home services. The increased investment should include greater resources for the Kinship Permanency Incentive Program, which is currently funded at just \$1 million per year, in order to support relative caregivers who can provide an alternative to the formal childcare system.

Agencies continue to rely on kinship caregivers as a permanency option for children. It is estimated that, of the children in PCSA custody, over 3,900 are currently placed with kin. Historically, Ohio counties have not been required by the state to compensate kinship caregivers. In 2017, the U.S. 6th Circuit Court of Appeals ruled in *D.O. v Glisson* that kinship caregivers who care for children in custody of an agency must be compensated. In the 133rd General Assembly, the state created the Kinship Support Program (S.B. 310). This program will result in increased costs to the child protection system at the state and county level. CCAO strongly encourages the state to assume full responsibility for this new cost to the child protection system.

Several policy changes will be implemented in the coming years that will result in even more increased costs in the system. In 2018, Congress passed the Family First Prevention Services Act (Family First), an act that will be implemented nationwide by October 1, 2021. Through dramatic federal funding changes, Family First shifts the focus of the child welfare system to prevention – keeping children out of foster care and with their families – by encouraging states to support families through evidence-based programs in mental health services, substance abuse treatment and improved parenting skills. While the federal government will provide a 50% match for funding these programs, the other 50% of the cost will fall to the states. This is a transformational change that will also require a shift in practice and training at the county level.

Passing on the costs of these transformations in the system would once again leave counties struggling to support the system financially. Ohio must help its county partners pay for the federal match for these prevention services in addition to maintaining its current investment in children services.



### THE STATE SHOULD SUPPORT COUNTIES IN IMPLEMENTING AND FUNDING THE FEDERAL FAMILY FIRST PREVENTION SERVICES ACT AND THE STATE KINSHIP SUPPORT PROGRAM.

#### HUMAN SERVICES TECHNOLOGY, MODERNIZATION AND EFFICIENCY INITIATIVES

CCAO appreciates the investments the state has made in modernizing technology, such as through Ohio Benefits which provides combined eligibility determination for Medicaid, TANF and SNAP and the development of enterprise document management that allows sharing of essential information across programs. CCAO has seen the impact these investments have on service delivery that is more efficient, can be nimble in a crisis and streamlines the process for clients. CCAO supports continued state investment to refine these technologies, including financial support for ongoing training, system maintenance and upgrades.

County shared services is an important service delivery mechanism. CCAO supports an open dialogue between the state and counties in the governance and structure of shared services.

#### MEDICAID WORK REQUIREMENT IMPLEMENTATION

As the state moves forward with implementation of the federally approved Medicaid work requirement waiver, CCAO requests that the state provide additional funding to help county JFS agencies with the administrative costs of implementing the program. High unemployment numbers resulting from COVID-19 will make the implementation of this work requirement challenging for counties. Additionally, CCAO requests state funding to support workforce development services and participant transportation needs in the counties.

#### WORKFORCE PROGRAMS

As we look toward connecting people to the workforce and jobs that enable them to be self-

sufficient, strategies around mitigating the benefits cliff should be pursued. These strategies could include financial literacy programs, supportive services for individuals in training, incentives for retaining employment and offering counties the ability to implement other such programs.

#### ADULT PROTECTIVE SERVICES

Counties are charged with providing a uniform adult protective services program for older adults who require protection from abuse, neglect or exploitation. Counties are the logical delivery agent for adult protective services due to the close proximity necessary to investigate allegations of abuse and neglect and the legal relationships with prosecutors, sheriffs and courts to enforce protective services. Elder abuse requiring adult protective services interventions can range from physical abuse, emotional or verbal abuse, self-neglect or financial exploitation.

The Adult Protective Services System (APS) has received increased policy attention in recent years, but funding has not always kept pace with expectations placed on counties or the aging of Ohio's population. Program reforms in the FY 18-19 budget expanded the scope of Ohio laws against the abuse and exploitation of elders, and added many different types of professionals to the list of "mandatory reporters," including individuals working in the financial sector. Over time, these changes will greatly expand the number of reports of abuse, neglect, or exploitation that counties must investigate.

In FY 20-21, the legislature appropriated \$4.23 million per year to fund APS, an increase of \$1.49 million per year, allotting \$48,000 to each county. While this larger investment is a step in the right direction, this allocation is still inadequate to provide even one fulltime case worker in many counties. In order to ensure victims of elder abuse receive core adult protective services, the state must financially support the administration and delivery of such services.

#### CHILD SUPPORT

As county child support agencies increase paternity establishments and overall collections, children

## HUMAN SERVICES

attain a higher standard of living. The child support program has utilized current funding, technology and tools to a great extent over the past 15+ years and is now transitioning to incorporate newer models aimed at assisting lower income families.

Several strategies are being piloted across the state. They include early intervention programs; collaboration with both workforce agencies and social service agencies to assist with barriers that obligor parents may have to obtaining and maintaining employment; parenting time engagement; strategies to improve parenting and co-parenting skills; and person-centered case management. In order to incorporate more of these strategies across the state for more families, the program needs additional support from the State and an upgrade in technology.

CCAO supports an increase in the state match allocation to county child support enforcement agencies. The match has been flat-funded since 2012. CCAO also supports a statutory change to allow child support to follow a child who has been placed in the custody of a third-party caretaker.

### **CHANGES TO THE COUNTY VETERANS SERVICE COMMISSION LAW**

CCAO supports initiatives to review the law and operation of Veteran Service Commissions to be sure enhanced and coordinated services are available to our brave men and women of the armed services returning home. The mandate contained in ORC Section 5901.11 to fund the Veterans Service Commission with up to .5 mills on the assessed value of the property of the county should be studied by the Department of Veteran Services to identify alternative funding options to replace current county funding. CCAO supports the enhanced ability for the boards of county commissioners to review and revise the budget of the Veterans Service Commission, especially as it pertains to the administrative and operational expenses of the Commission.

As it relates to operational expenses, there is a special need to be sure that the Veterans Service Commission does not have the authority to provide for staff compensation increases that exceed the average increase provided to other appointing authorities through the appropriation process.

Additional checks and balances are needed to ensure that needy veterans are receiving essential financial assistance and other services in a cost efficient and responsible manner that fully utilizes other health, human service and employment programs. The Department of Veteran Services should provide funding for any mandated training. Finally, boards of county commissioners should become the appointing authority for members of Veteran Service Commissions. If this authority is not granted, commissioners should be given the ability to appoint two of the five members.

### **FAMILY & CHILDREN FIRST COUNCILS**

Counties have worked diligently to piece together a seamless delivery system for families seeking assistance for their children out of a patchwork of state and federal programs that tend to leave gaps, create overlaps in services and often contain conflicting regulations. Local Family and Children First Councils work to reduce duplication of services and to help families navigate health, social and human services. In order to perform these coordinating functions, each county, regardless of size, was traditionally allocated \$20,000 to administer Family and Children First Councils. This amount was reduced in FY 10 and is currently funded at \$15,750 per county in the FY 20-21 biennium. CCAO recommends appropriately funding the administration of local Family and Children First Councils by increasing the allocation to \$30,000 per county.

### **LOCAL HEALTH DEPARTMENTS**

CCAO supports giving boards of county commissioners and county councils discretion regarding the submission, type (renewal, increase, reduction or replacement), millage and duration of property tax levies submitted to the voters for the purpose of funding a health district. If legislative action allows for a joint health district to be formed that covers multiple counties, commissioners should also have discretion over multi-county levies. Should this discretion not be granted to boards of county commissioners, it is important commissioners should retain the levy authority, in order to maintain some accountability and to facilitate a public forum in which health officials may discuss and justify the need for the levy.

# JOBS, ECONOMIC DEVELOPMENT AND INFRASTRUCTURE

**Chair: Cory Noonan, Allen County Commissioner**

**Vice Chair: Judy Dodge, Montgomery County Commissioner**

**Staff: Jon Honeck, Senior Policy Analyst and Adam Schwiebert, Policy Analyst**

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Counties work collaboratively with the state to facilitate economic development by creating an environment that encourages job creation. An employer's decision to locate a business is often driven by the quality of life and services that a community offers its residents, and counties play a pivotal role in creating this environment.

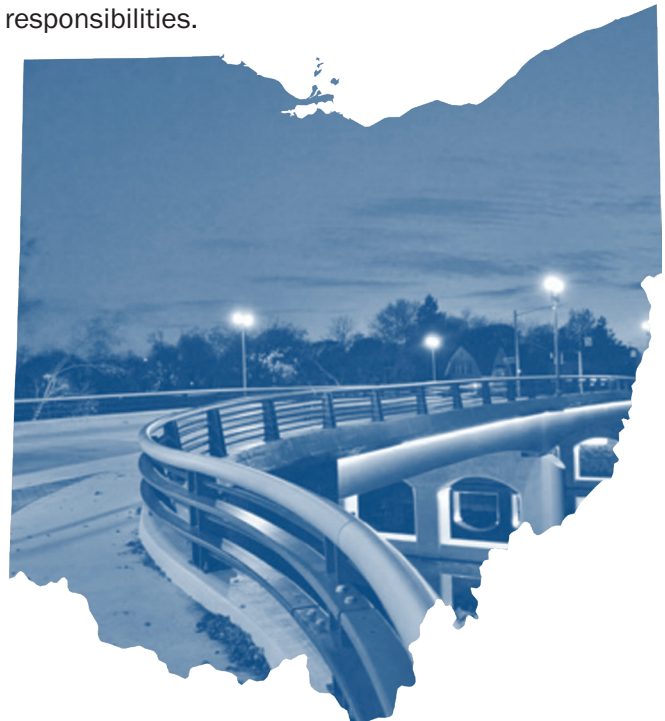
County government is responsible for constructing and maintaining infrastructure, providing a well-trained workforce and developing the community assets that businesses value. Maintaining these systems is a huge undertaking, costing billions of dollars each year, and funding has not kept pace with needs.

Ohio should prioritize the following items when considering its economic development strategy for the next General Assembly:

- **Infrastructure** - Counties are responsible for 26,081 bridges and 29,000 county road miles. Providing proper funding levels and revenue mechanisms to be used for roads and bridges must be a priority for the state and environmental regulations must be clear and consistent. The replacement of Ohio's aging water and sewer infrastructure is also a priority. The state must find ways to address the ability of counties, local governments and residents to afford the undertaking of necessary water and sewer projects.
- **Workforce** - Counties are responsible for implementing workforce programs that help residents attain meaningful employment and gain skills that businesses value. These local programs must maintain funding and the flexibility to reflect and address local employers' needs if they are to achieve success. The state should partner with counties and employers to find innovative ways to address the devastating impact of the opiate epidemic on the workforce and the economy.
- **Jobs Ohio** - A strong partnership between each county and the state's economic development arm is imperative. Every county must feel the

value that JobsOhio brings to their region. Payments from JobsOhio to the state GRF should be invested in local infrastructure and training.

The three priorities are illustrated in more detail on the following pages and are followed by additional policy recommendations that would support Ohio's counties in their economic development responsibilities.



**COUNTIES ARE RESPONSIBLE FOR  
26,081 BRIDGES AND 29,000  
COUNTY ROAD MILES.**

## COMMITTEE PRIORITIES

### INFRASTRUCTURE

The current state of our aging infrastructure as it relates to county roads, bridges and public utilities significantly impedes economic development. Projected costs to repair, replace or install necessary infrastructure far exceed the current capability of our counties.

# THE QUALITY OF OHIO'S INFRASTRUCTURE HAS A TREMENDOUS IMPACT ON ENCOURAGING ECONOMIC DEVELOPMENT THROUGHOUT THE STATE.

Where environmental regulations are concerned, local governments have a critical need for clarity, predictability, and consistency; for policies that reflect scientific consensus; for common sense enforcement; and for careful cost-benefit analysis as part of the policy making process. At the same time, CCAO understands that fair and reasonable environmental regulations must be balanced with responsible stewardship of our natural resources.

### Funding for Infrastructure

The quality of Ohio's infrastructure has a tremendous impact on economic development. Providing proper funding levels and revenue mechanisms to be used for infrastructure must be revisited by the state. Factors to be considered include: allocating additional public works bonding capacity; adjusting highway user fees; and providing additional grants, loans and subsidies for the capital costs of local utility infrastructure. Ohio's 2020-2021 transportation budget included the first increase in the state's motor fuel tax since 2005. Because of the pandemic, however, driving habits have changed dramatically, causing revenues to decrease. If this trend continues, counties may need additional support from the state to continue investing in transportation infrastructure.

CCAO encourages the legislature to consider adding an indexing provision to the state's motor fuel tax to help maintain the purchasing power of the gas and diesel tax. As of August 2020, 22 states and Washington, D.C., have a variable-rate gas tax that adjusts with inflation or prices without regular legislative action.

CCAO also supports providing counties with additional authority to classify roads according to use and designate haul routes for heavy truck traffic so that road and bridge impact can be mitigated.

Additional positions relative to infrastructure funding that can be found under the **Taxation and Finance** section of this document.

# COUNTIES ASK THE STATE TO ALLOCATE ADDITIONAL PUBLIC WORKS BONDING, MAKE ADJUSTMENTS TO HIGHWAY USER FEES AND PROVIDE ADDITIONAL GRANTS FOR INFRASTRUCTURE.

### Environmental Regulation of Infrastructure

Agencies and communities are being hampered by a prescriptive approach to setting permit limits for nutrients, storm water and for TMDL-derived parameters. U.S. EPA admits that many remaining water quality issues are caused primarily by non-point sources, such as residential, agricultural and local development practices. CCAO is encouraged by the state's emphasis on controlling non-point sources through the work of the H2Ohio Fund and other programs that work directly with non-point sources of nutrient loss.

Agencies and communities are also being hampered by a prescriptive approach to evaluation of local financial capability used by enforcement officials of the federal government. The federal regulatory framework is being applied in a way that fails to adequately consider local economic conditions and the need for effective prioritization and scheduling of significant water quality investment. This federal approach has already produced, and, if unchecked, will continue to produce unprecedented wastewater rate increases across Ohio. It will also yield significant community disruption from construction programs and, in many cases, limited incremental improvement in overall water quality. Given current economic conditions, these programs could have a devastating effect on the state's economic development goals.

### Local Financial Capability to Provide Infrastructure

Financial capability assessments for Ohio's local



governments should be based on the basic principles reflected in EPA guidance, but should further evaluate appropriate unique local conditions that apply to the community by quantifying all relevant economic factors impacting financial capability, including: housing burden, state and local tax burden, impacts on business competitiveness, projected population and employment trends, poverty and low income populations, community construction impacts, availability of local contractors, construction inflation and historical water quality investments.

Local financial impacts are best evaluated by local officials, not the federal government. The framework for evaluation of local financial capability should be a joint state-federal framework that assigns primary responsibility for defining water quality investment implementation schedules to Ohio wastewater agencies and their local and state officials, who can base schedules on their assessments on the financial capabilities of, and implementation impacts on, the communities they serve.

Ultimately, project costs far exceed the financial capability of counties and local governments to incur these obligations. The state must find ways to address the ability of counties, local governments and residents to afford financially the undertaking of necessary water and sewer projects. Counties ask the state to consider allocating public works bonding capacity to these projects, reestablish the Ohio water and sewer rotary commission, and provide significantly greater funding support for governments and citizens confronted with EPA findings and orders to install water and sewer systems. One of the ways Ohio could facilitate this funding is to allow counties permissive authority to institute a service fee on water bills to be used for EPA findings, orders and compliance.

A cornerstone of providing water and sewer service to unincorporated parts of the state is the longstanding public health policy to require homeowners to connect to public sewers when they become available.

Structures with an existing septic system are required to connect if it is within 200 feet of the public sewer. Historically, septic systems have been looked at as temporary systems. This has been the policy of the state of Ohio since 1977. Eliminating connection

requirements for on-lot systems could destroy the financial feasibility of sanitary sewer projects under construction today or planned for the future. Important projects which promote the public's health and the protection of our rivers and streams could be jeopardized and may not be constructed. CCAO asks that the state maintain this public health policy, while giving counties the discretion to authorize temporary, non-renewable exceptions for septic systems that are new and in good working condition.

Even the courts have ruled on this subject. In 1984 the Ohio Supreme Court ruled in the case of *DeMoise v. Dowell*, that "individual household sewage disposal systems are inherently more dangerous to the public health than sanitary sewerage systems and must be replaced when possible."

## WORKFORCE DEVELOPMENT

# ENSURING OHIO HAS A QUALIFIED, JOB-READY WORKFORCE IS A CRITICAL COMPONENT OF ECONOMIC DEVELOPMENT SUCCESS IN ANY PART OF THE STATE.

County government in Ohio has played a critical role in local economic development initiatives and implementing workforce programs aimed at retaining, attracting, and growing businesses, as well as helping residents obtain, maintain or improve their employment. Tools that counties utilize in this task include the federal workforce program known as the Workforce Innovation and Opportunity Act (WIOA) and strong partnerships with the state's OhioMeansJobs centers.

Counties assist work-required populations to find employment and training, and they fund workforce supports and stabilizing services through the Prevention, Retention and Contingency program. Some counties also use dollars from the federal Temporary Assistance for Needy Families (TANF) block grant, delivered through the county JFS, to invest in the local workforce infrastructure. These TANF investments should continue as long as funding is available.

## JEDI

Counties support the goals of the Comprehensive Case Management and Employment Program (CCMEP) program but the program needs more flexibility and collaboration with local boards and county JFS agencies in order to reach its full potential.

Increasingly, the opiate epidemic is affecting large segments of the workforce, preventing individuals from keeping employment and making it difficult for employers to fill open positions. The state should partner with counties and employers to find innovative ways to return addicted individuals to the workforce.

Economic disruptions like the COVID-19 pandemic present tremendous challenges to local businesses and workers. The state should collaborate with counties to allow locally-designed responses funded with flexible responsive funds.

## COMMISSIONERS CAUTION AGAINST A ONE-SIZE-FITS-ALL APPROACH TO WORKFORCE DEVELOPMENT POLICY IN OHIO.

The success of county-level workforce development programs is dependent on the degree to which those programs are employer-led and employer-centric at the local level. The programs must, first and foremost, address the specific needs of that business community as defined by the businesses themselves which in turn creates opportunities for job placements within the business community. The State Workforce Board should include members serving on local boards, school representatives, and local elected officials in order to strengthen communication and feedback mechanisms.

### Federal Partnerships

WIOA is the latest iteration of the federal government's approach to workforce programming. It is a locally-driven system under the direction and control of elected local officials and aims to provide better alignment between programs and more flexible funding. WIOA utilizes a committee that is made up of local business and community leaders,

appointed by the county commissioners, with clear and transparent performance measures. Educational leaders should be included in the committee. This community-centric design should be noted because local officials are in the best position to understand the pressing workforce development needs of both businesses and individuals in their communities.

Commissioners encourage the state to invest discretionary workforce dollars into the existing local workforce infrastructure, provided they have proven results. Any discretionary funding set aside from Ohio's WIOA allocation or Rapid Response dollars should remain as flexible as possible to allow the state to best meet business' needs identified at the local level as they arise, rather than being put into a specific program with additional restrictions.

Furthermore, county TANF allocations should be maintained so supportive services and workforce retention services can continue.

### State Partnerships

OhioMeansJobs Centers (also known as one-stops) are a partnership between the state and local agencies to deliver workforce services to job seekers and employers. Commissioners believe that many one-stops are working efficiently and competently with local businesses to respond to their needs and get people back to work. Counties encourage the state to take the lead in identifying, supporting and sharing best practices driving success on the local level.

Ohio should also take a meaningful look at the Comprehensive Case Management and Employment Program (CCMEP). CCMEP marries funds from the WIOA and TANF programs in order provide a more comprehensive experience for individuals in need of employment. While the intent of the program is admirable, counties have experienced many challenges related to the dueling federal laws and their associated requirements. Counties would like to engage in conversations with the state to identify ways to simplify CCMEP's administrative structure to allow a true focus on providing case management services.

In order for counties to be responsive to local opportunities and challenges, readily available and

robust business data (including timely unemployment claims and layoff filings) should be available for all economic and workforce development partners. The state should focus efforts on providing data that will allow counties to anticipate and meet emerging needs.

Finally, commissioners see a real need for solutions that address the benefits cliff. When benefits are phased out too quickly, employment is in jeopardy. Ohio should engage its counties on this issue to find ways to ease the effects of the cliff.

### **Local Authority**

State-led changes to the workforce system should not undermine the positive working relationships that many one-stops have built with their local business communities, nor should they undermine the relationships and collaborations many counties have created with one another. The Office of Workforce Development should form partnerships with local government to implement best practices for workforce development at the local level.

One-stops and workforce investment areas must continue to have the flexibility to partner with different counties and areas who fall outside arbitrary, bureaucratic boundaries and instead work across systems to meet both local and regional needs.

Given the vast differences in both the economies of and effective strategies within the various counties of Ohio, a locally-driven, state-monitored approach to workforce development activities truly is common sense. Commissioners ask that, rather than create state policy in reaction to one or two workforce areas or even one-stops that may be noncompliant or failing to succeed according to performance measures, the state should use its capacity to look at options like performance improvement plans as well as sharing best practices and replicable examples of successful strategies to assist those areas.

## **JOBSOHIO AND BUSINESS DEVELOPMENT**

### **JobsOhio**

As the state's economic development and job retention organization, JobsOhio has helped to expedite large scale investments in some

communities. However, in communities where smaller scale projects are more realistic, the promise of JobsOhio has not always been realized. As the organization evolves in the DeWine Administration, it should look at ways to broaden its mission to serve these communities better. The Vibrant Communities program, which promotes catalytic development projects in distressed communities, and the Inclusion Grants Program, which targets minority-owned businesses, are helpful steps. A tool that tracks progress in the JobsOhio regions should be implemented to ensure appropriate growth is being generated and additional industries, such as tourism, should be added to the list of target industries.

JobsOhio is fueled by the revenue from liquor sales. As the organization realizes greater profit levels and liquor revenues grow, it makes annual payments to the state that go into the general revenue fund. Ohio should designate a portion of these dollars to be used at the discretion of commissioners for infrastructure and training. JobsOhio's new Ohio Site Inventory Program, which provides reimbursements to local governments and other eligible entities up to \$2 million for site preparation, demolition, construction, infrastructure, and environmental cleanup, will be helpful. However, the requirement that applicants be able to show a demonstrated demand for the future use of the site may still prevent use by many jurisdictions. JobsOhio should provide more discretion to commissioners as to use of these funds.

### **Embracing Economic Gardening**

Development initiatives should be crafted to support the unique needs of local companies and entrepreneurs that are poised for growth. By targeting dollars to provide seed money for these businesses and with state and local agencies providing oversight and technical assistance, these businesses can use dollars for innovation and growth, and truly create positive results for Ohio.

### **Redevelopment and Rehabilitation of Vacant Buildings**

Throughout Ohio there are vacant buildings that have outlived their usefulness as currently configured. While these structures are sound, their conversion to fit modern day applications is costly.

## JEDI

Current zoning codes don't contemplate revitalization and building code compliance is cost-prohibitive. The state should develop a program that makes the re-use and restoration of these structures competitive with the option of new construction. Components of this program targeted to redevelop and re-use existing sites should include eminent domain and industrial/commercial land banking, consolidation of parcels, as well as preferential land use and zoning provisions and building code provisions. These should take safety into consideration without demanding compliance with current code provisions that contemplate new construction. We recommend a companion program to "shovel ready" sites that supports the transformation to "occupant-ready" sites.

### Housing

An often-overlooked necessity for economic development is quality, affordable housing. Housing is considered affordable if it makes up 30% or less of a family's income. This asset is sorely lacking in every part of the state and it creates a significant drag on the economy. Ohio should explore ways to empower commissioners to provide targeted incentives to increase the supply of affordable housing.

## COMMITTEE RECOMMENDATIONS

### SOLID WASTE

## **SOLID WASTE DISTRICTS SHOULD BE GIVEN MAXIMUM FLEXIBILITY TO MEET THE REQUIREMENTS OF THE STATE SOLID WASTE MANAGEMENT PLAN THROUGH LOCALLY DIRECTED AND APPROVED PLANS WITH MINIMUM STATE OVERSIGHT.**

### Local control of solid waste planning

Under broad goals and guidelines established by state law and the state solid waste plan, CCAO supports local self-determination in the number and

composition of districts. CCAO believes that adoption of disposal, generation and contract fees should remain local choices approved by local officials. CCAO supports retention of solid waste district authority to adopt solid waste rules that govern the following:

- The maintenance, protection and use of all solid waste collection and disposal facilities.
- The receipt of out-of-district waste.

The application of zoning to solid waste facilities.

- The implementation of a program for the inspection of out-of-state waste.

CCAO believes that district programs must reflect local needs, demographics and waste management conditions and that a "one size fits all" approach to local solid waste planning is not in the long-term best interest of the state or its citizens.

### Flexibility in solid waste governance

CCAO supports local flexibility for each district to determine whether to have a board of directors or to establish a regional solid waste authority for governance purposes. For solid waste districts that choose to retain the board of directors/solid waste policy committee governing structure, the law should be amended to permit multi-county districts to reduce policy committee quorum requirements and to reconfigure policy committees to reduce their sheer size.

Districts with two or more counties should be able to participate in meetings via electronic video conferencing, and counties should have the ability to establish a non-statutory membership composition.

### Streamlining of the planning process

CCAO supports streamlining the planning process by requiring each district/authority to prepare a plan once every 15 years, provided the district is meeting goals laid out in the plan. Financial metrics can be updated once every five years, or as needed. CCAO believes that plan components should be less prescriptive than they are currently, that the format should be general and serve as a guidance document, and the format should not be a one size fits all



template. In general, CCAO supports putting more resources into plan implementation and devoting less time to continuous updates and revisions of the plans.

Other changes to the planning process that CCAO supports include the following:

- **Fee modification process** - Reduction in district generation and disposal fees should not require ratification of the solid waste plan, rather such changes should only require two hearings and a resolution.
- **Plan components** - Remove burden of inventory data collection from districts and require brokers and haulers to submit data to the state.
- **Plan ratification process** - Maintain the 60% approval for ratification and remove large city veto.
- **Plan ratification process** - Failure by a political subdivision to vote removes that political subdivision from the calculation needed for approval.

In order to promote fiscal accountability, CCAO supports allowing districts to discontinue service where the costs for providing service exceed the economic value without re-ratification of the plan.

If county commissioners are to make full use of existing facilities, programs and services, it is essential that local officials have the power to:

- Have self-determination relative to the composition of each solid waste district
- Establish funding mechanisms to carry out district solid waste plans.
- Adopt rules to make sure that solid waste facilities are properly utilized.
- Implement designation and debt financed flow control to make sure that facility debt may be retired and that solid waste plans may be fully implemented.

## PROPER DISPOSAL OF SCRAP TIRES

Legislation regulating the sale, disposal and transportation of scrap tires in Ohio was adopted in 1993 (H.B. 165). Since the adoption of this

worthwhile legislation, there is evidence of increased open dumping of scrap tires leading to public health hazards and a high cost to taxpayers in remediating tire dumps. Given that it has been over 20 years since the adoption of the original law regulating disposal of scrap tires, CCAO believes it is time to revisit the law to close loopholes leading to the improper disposal of scrap tires. CCAO supports changes to the law and administrative code to:

- Redefine “open dumping” and “scrap tire” to close loopholes allowing unscrupulous haulers to dispose of scrap tires in abandoned buildings, as an example.
- Increase Ohio EPA registration requirements on scrap tire transporters to require them to maintain and prove contract validity with an appropriate scrap tire disposal or recycling facility.
- Require all scrap tire transport drivers to have a valid commercial driver’s license.
- Increase the amount of financial assurance that registered scrap tire transporters are required to maintain.
- Require scrap tire storage facilities to secure tires from theft and limit the number of tires stored in a building or covered area, enclosed container, trailer or installation.
- Exclude any political subdivision or any state agency conducting a roadside or public property litter cleanup operation or a community tire collection event from needing to register as a scrap tire collection facility, provided they meet certain criteria.
- Increase the penalty for any scrap tire generator who hires a hauler to remove tires that is not an Ohio EPA registered scrap tire transporter.

## LOCAL DISCRETION ON PREVAILING WAGE

Counties should be given the ability to opt into prevailing wage requirements on public projects, allowing more flexibility and administrative savings for counties facing costly construction projects. The General Assembly should restore county discretion with respect to projects undertaken by Transportation Improvement Districts (TIDs). This will result in significant cost savings for counties and other local governments involved in TIDs.

**ENERGY**

The availability of reliable energy is a critical component to economic development and quality of life for Ohioans. Efforts should be made to assure that power supplies are sufficient throughout all regions of the state.

CCAO realizes that access to reliable and cost-efficient energy supplies are critical for economic development. Some areas of the state do not have adequate capacity of natural gas, particularly in the western half of the state. Additionally, even though southeast Ohio has abundant supplies of natural gas, the lack of distribution pipelines and other needed infrastructure prevents local use of these natural resources. CCAO supports additional economic development incentives and assistance from the State and JobsOhio to address these gaps in natural gas access and capacity.

Additionally, CCAO encourages exploration of and support for more alternative sources of energy, including bio-energy, solar, geothermal and wind energy, as well as support for enhanced traditional sources such as nuclear and clean coal technology.

The technological advances in harnessing new energy sources have offered great opportunities to Ohio. CCAO supports state policies, such as renewable portfolio standards, to encourage the use of alternative and renewable energy resources. However, CCAO believes the decision to incentivize such technologies with local tax abatements should remain with local political subdivisions.

In addition, CCAO supports developing and expanding the applicable uses of domestic energy sources. For example, the state, in conjunction with local governments, should continue to review and analyze the economic feasibility, technology, and infrastructure opportunities and challenges regarding the potential conversion of vehicle fleets to natural gas-fueled vehicles (NGVs).

CCAO believes that as Ohio joins the race to embrace new energy technologies, the state should commit to including local governments in developing applicable state policies, particularly given the potential siting, infrastructure, taxation and community impacts.

The movement of drilling equipment coupled with the large amounts of material, in particular water, to and from both drilling sites and injection well sites will cause much distress to our roadways. CCAO advocated for and was disappointed with the refusal of policymakers to require a road use and maintenance agreement (RUMA) be in place with the appropriate local political subdivision as a condition to a permit to drill, particularly given the mandatory nature of such agreements with regards to the development of alternative energy sources.

In addition to requiring a RUMA for oil and gas exploration, CCAO supports a RUMA requirement in cases of natural gas and other pipelines which trench road rights of way and other public infrastructure. It is important that public roads be protected from damage by pipeline transportation companies and a mandatory RUMA will help to protect the public investment in highway infrastructure.

**LAND USE REGULATION AUTHORITY**

County commissioners have limited authority to effectively regulate even the simplest land use problems in the county. CCAO proposes that boards of county commissioners be given the following additional authority and tools to regulate land use:

- Authority to impose impact fees on new development to assure the general taxpayer does not pay for the entire cost of expanded infrastructure needed as a result of new development.
- Authority to enact zoning for the purpose of promoting the general welfare and to encourage the preservation of agriculture and agribusiness.
- Authority to approve transfer of development rights (TDR) in both zoned and un-zoned areas in order to promote preservation of open space and farmland. In the event a property owner is compensated in conjunction with a TDR, no public funds may be granted to the owner for an agricultural or conservation easement.

**TAX ABATEMENT / COMMISSIONER APPROVAL**

CCAO supports legislation requiring notification and consent of each board of county commissioners affected by property tax abatement or tax increment

financing that a township or municipal corporation grants within a county. CCAO recognizes the value of tax abatement as an economic development tool and supports retention of county authority to provide tax abatement under a revised statutory format necessitated by the elimination of the tangible personal property tax.

## **BUILDING PERMITS**

Counties should be authorized to issue citations for building permit offenses, compound or increase building permit fees for unresolved violations, and link separate building code violations and separate sites for violations involving the same owner or contractor that continues to violate the law. CCAO also seeks authority for a “one-stop-shop” for permitting and inspecting construction occurring within the unincorporated areas of the county, including the same authority granted to municipalities to perform plumbing inspections without the acquiescence of the general health department.

## **COMMERCIAL BUILDING PERMIT PLANS REVIEW**

The Ohio Commercial Building Code requires that building departments review commercial applications for building permits in the order in which they are received. CCAO believes counties should be provided specific legislative flexibility to review plans in a manner which allows for expedited review of projects that have significant local and/or economic development impacts.

## **ENFORCEMENT OF FLOOD PLAIN REGULATIONS**

CCAO supports legislation permitting a county to levy fines and issue stop work orders to enforce county flood plain regulations.

## **LOCAL GOVERNMENT REQUEST FOR PUBLIC HEARING ON PERMITS FOR BRINE INJECTION WELLS**

Under current law, the Division of Mineral Resources at the Department of Natural Resources is not required to hold a public hearing on applications for permits for an oil and gas well or a brine injection well, even if the Division receives timely comments and a request for a hearing. This is different than the law on concentrated animal feeding operations and wind farms.

CCAO supports a change in law that requires public hearings on applications for oil and gas well permits and brine injection well permits if requested by a board of township trustees or municipal legislative authority if the proposed location is within that township or municipality, or by a board of county commissioners if located in the county. The division would continue to have discretion on hearings requested by other parties but would be required by state law to conduct a hearing if requested by local governments.

CCAO has additional positions relative to the taxation of oil and gas that can be found under the **Taxation and Finance** section of this document.

## **ZONING OF CELLULAR TOWERS**

Existing law limits the authority of county and township zoning to regulate cellular towers to residential zones. CCAO supports legislation granting authority to regulate cellular towers in all zoning districts under reasonable standards that recognize the need for cellular service.

## **LAND REUTILIZATION PROGRAM / LAND BANKS**

CCAO supports amendments to the land reutilization program to accomplish the following:

- Allow counties to form multi-county land banking programs.
- Allow a board of revision to process tax foreclosures as opposed to the courts.
- Permit electing political subdivisions to acquire delinquent properties without the requirement of waiting for the property to be offered for sale at two sheriff sales.
- Allow the county to retain their own legal counsel to prosecute tax delinquencies instead of being required to use the prosecutor.
- Require property owners to pay all back taxes and assessments within one year of delinquency and not be able to enter into a payment program to avoid foreclosure.
- However, a special provision should be included to allow payment plans for senior citizens on limited incomes and for the delinquent properties when taxes have not been paid

because of a death and the final disposition of the estate has not occurred.

- Allow property acquired through this process to be sold for less than fair market value.
- Currently, execution of tax foreclosure actions by the county prosecutor on properties which had been delinquent for at least three years can be taken against the parcel of property. The three-year window should be shortened, to allow counties to recover those dollars quicker.

## GOVERNANCE OF CONSERVANCY DISTRICTS

The governance structure of conservancy districts should be revised by removing common pleas judges as the statutory appointing authority for the board of directors of the district. Advisory Opinion 2003-9, issued by the Board of Commissioners on Grievances and Discipline, poses the possibility that this statutory provision may conflict with the Ohio Code of Judicial Conduct. The boards of county commissioners from each county within a conservancy district should appoint either a commissioner or other qualified person to the board of directors of the district.

## FORCE ACCOUNT

CCAO supports indexing force account thresholds to increases in the construction price index so that force account limits will keep pace with inflation. CCAO also supports permitting a sanitary engineer with funds appropriated by the commissioners for this purpose to use county personnel and equipment to undertake water and sewer projects instead of having to contract for all such improvements.

## TRANSPORTATION IMPROVEMENT AUTHORITIES

CCAO supports the enactment of legislation to allow local governments, with the consent of each of the participating local governments' legislative authorities, to create transportation improvement authorities.

## AIRPORT FUNDING

CCAO supports legislation that would establish a trust fund using a portion of state sales tax revenue from the sale of aviation fuel. Ohio has 97 general

aviation grant-eligible airports. The sales tax from aviation fuel dedicated to safety and runway improvements would go a long way toward providing the level of funding recommended in the ODOT study.

## RAILROAD GRADE SEPARATION FUND

CCAO supports legislation that would continue the nearly completed Railroad Grade Separation Program initiated in 2001 with a state commitment of \$200 million that funded 28 high priority grade separation projects across Ohio. Grade separation projects at critical rail highway intersections promote economic development and public safety while relieving highway traffic congestion.

## FIBER OPTIC SYSTEMS

CCAO supports providing counties with specific statutory authority to own and operate fiber optic systems for telecommunication purposes. CCAO supports programs that encourage greater Internet and broadband accessibility statewide.

## AIR QUALITY

The US EPA revised ozone standard of 70 parts per billion (ppb) became effective October 2015. Because of the substantial costs of potential programs required to meet such attainment standards and the regional nature of their application, CCAO strongly recommends that responsibility for implementing air pollution controls remain with the state. CCAO encourages the state to work with local air pollution control agencies, local governing bodies, MPO's, regional councils of government, and businesses to use opportunities to utilize land use law and regulations to meet the Clean Air attainment standards. As the state tackles air quality regulations, the association urges reasonable practices that minimize adverse impacts on citizens and the economy of Ohio.



# JUSTICE AND PUBLIC SAFETY

**Co-Chair: Barb Lewis, Delaware County Commissioner**

**Co-Chair: Marilyn Brown, Franklin County Commissioner**

**Staff: John Leutz, Assistant Director**

**THE STATE SHOULD ASSUME COMPLETE RESPONSIBILITY FOR FUNDING INDIGENT DEFENSE.**

**THE FUNDAMENTAL RIGHT TO COUNSEL IS “MADE OBLIGATORY UPON THE STATES BY THE FOURTEENTH AMENDMENT.” - *GIDEON V. WAINWRIGHT* (1963)**

According to the United States Supreme Court, indigent defense is a responsibility of the state. The state’s assumption of full financial responsibility for indigent defense is a critical element of a more efficient and effective indigent defense system and a stronger working relationship between the state and its counties.

Counties recognize that Ohio took significant strides in the FY20/FY21 biennial budget toward fully funding indigent defense. First, the state eliminated the statutory provision limiting reimbursement to 50%. Second, the state increased General Revenue Fund (GRF) funding to a level where reimbursement was projected to be approximately 70% during FY 2020 and 90% during FY 2021. The actual reimbursement rate for FY 2020 was 5% higher than expected and reached 75%. Although \$125.0 million of GRF was appropriated for reimbursement in FY 2021, state budget cuts due to the COVID pandemic have reduced the GRF funding for reimbursement by 33% down to \$86 million. This cut in spending authority resulted in decreasing the projected FY 2021 reimbursement rate to 70%.

## **Full Funding for Reimbursement**

CCAO asks that the state take the final step in this biennial budget to provide full funding for indigent defense reimbursement.

Now is the time for the state to finally relieve counties of this state-mandated funding obligation and return it to where it rightfully belongs – the state.



**CCAO ASKS THAT THE STATE TAKE THE FINAL STEP IN THIS BIENNIAL BUDGET TO PROVIDE FULL FUNDING FOR INDIGENT DEFENSE REIMBURSEMENT.**

## **Historical Perspective**

Initially in response to Gideon, Ohio opted to require counties to provide indigent defense, with the state reimbursing counties for 50% of the cost of delivering this constitutionally mandated service. The state funded its reimbursement by utilizing revenue deposited into the state general fund from a statewide court cost established by the General Assembly. However, in 1979, when the revenue from the court cost became less than the amount required to provide the state’s 50% reimbursement, the state modified its funding commitment by establishing the concept of “proportional reduction.” Under this concept the state simply appropriated an amount

## JUSTICE AND PUBLIC SAFETY

for reimbursement and then proportionally reduced the reimbursement rate to counties. In 2008, the state created the Indigent Defense Support Fund (IDSF) to develop non-general revenue fund (non-GRF) resources to reduce the reliance on state general fund revenues to pay for reimbursement. Certain fees, fines and surcharges were established and earmarked for the IDSF so that these non-GRF sources could be used for reimbursement.

Historical data shows that the state reimbursement rate to counties averaged 40% between 2010 and 2019 and the record low reimbursement rate of 26.1% occurred in FY 2009. During this same ten-year period, while the counties spent \$795 million on indigent defense that was not reimbursed by the state, the state reimbursed \$490 million of which only 30% was state general fund revenue and the remaining 70% was non-GRF money from the IDSF.

Two other key factors burden the counties' financial obligations to fund indigent defense. Currently 83% of the non-GRF revenues that are deposited into the IDSF are allocated to county reimbursement. Six years ago, 88% was allocated to reimbursement. This five percent reallocation diverts approximately \$6.5 million each year from county reimbursement to support the State Public Defender's Office operations. Furthermore, the IDSF receipts continue to underperform their three-year historic trend line upon which the budget forecast for fund receipts is based. This underperformance impacts total revenue available for reimbursement and leads to a further reduction in the reimbursement percentage to counties. The other factor is the Capital Case Attorney Fee Council, comprised of five sitting judges of the courts of appeals, has the authority to establish the rate counties must pay for lawyers who represent defendants in capital (death penalty) cases. The Fee Council has established the rate at \$125 per hour, which is a significant increase from the \$60 to \$75 per hour rate most counties were paying prior to the creation of the Fee Council a few years ago.

### STATE CAPITAL FUNDING FOR COUNTY JAILS SHOULD BE MAINTAINED

The county jail is an integral part of the state's criminal justice system. CCAO has expressed concern that in many instances county jails are unable to

adequately perform their mission within the criminal justice system due to age and structural conditions. State capital funding for county jail construction and renovation is a major priority for counties. A 2019 survey conducted by the Buckeye State Sheriffs Association and CCAO projected a statewide cost of over \$1.3 billion for county jail construction and renovation costs.



### A 2019 SURVEY CONDUCTED BY THE BUCKEYE STATE SHERIFFS ASSOCIATION AND CCAO IDENTIFIED OVER \$1.3 BILLION NEEDED FOR COUNTY JAIL CONSTRUCTION AND RENOVATION.

Last session, the state included \$50 million for county jail construction and renovation in the state capital appropriations bill (S.B. 310). CCAO appreciates the recognition by the state of the challenges counties face in providing safe and secure county jail facilities. CCAO urges the state to view this appropriation as the initial investment in a long-term capital funding program to help counties manage the expensive task of updating and repairing the structural, mechanical, and operating systems of county jails.

According to the best available Department of Rehabilitation (DRC) data, the average daily jail population for 2016 was 20,397 which is approximately 14% percent over DRC's recommended capacity statewide. 38% percent of the population were being held on at least one drug-related offense, and 20% of the population were women, who require additional measures of separation from the general jail population.

Demand for additional jail beds is driven by five key factors: overcrowding, facility age, rising felony populations, female prisoners and increasing drug crime arrests.

The age of county jail facilities suggests that there is a crisis on the horizon. The general life span of a jail is between 25 to 30 years, and 32 of our 90 county jails were opened prior to 1988. Two county jails date back to the 1880's and one dates to 1800. When looking at recent construction or renovation activity, only five county jail facilities have been opened since 2000. Clearly, county jail facilities are reaching a point where costly updates and repairs to their structural, mechanical and operating systems are critical.

### **EMERGENCY 9-1-1 FUNDING AND MANAGEMENT**

The Statewide Emergency Services Internet Protocol Network Steering Committee (ESINet Committee) is tasked with moving Ohio to a Next Generation 9-1-1 (NG9-1-1) system that supports digital communications and can leverage future advances in technology for emergency responders to effectively protect and efficiently respond to calls from the public for emergency assistance. The technology associated with this system is extremely expensive and cannot be borne by counties alone. This system must be adequately funded to ensure that the public's expectations are met.

#### **A universal device fee must be enacted**

The ESINet Committee has recommended that a Universal Device Fee be established. A Universal Device Fee is a permanent, statewide, uniform monthly charge applied to all numbers/addresses capable of accessing 9-1-1 dedicated to funding Ohio's 9-1-1 system. The revenue from the monthly charge should be utilized to adequately support both the state's provision of ESINet and 9-1-1 services

and local governments' public safety answering point (PSAP) operations centers.

CCAO supports this recommendation and concurs with the ESINet Committee's further recommendation that this fee should initially be established at 25 cents for the first two years and then for the next five years the ESINet Committee may annually adjust the fee between 25 and 30 cents, after which it returns to 25 cents. This flexibility provided to the ESINet Committee is necessary to ensure that both the implementation of the NG9-1-1 system and county access and utilization of the new system can be adequately financed.

#### **The universal device fee must support local PSAP operations**

Funding allocated to the PSAP operations centers should support the acquisition of the necessary hardware, software, and technology upgrades and annual maintenance of the system; underwrite the costs of mandatory training requirements and regulatory compliance; and establish a reserve for funding the major system technology advances that will occur over time. The state should also consider providing specific incentives which assist counties in completing last mile connectivity; maintaining their Ohio Location Based Response System which provides address, street and location data; and effectively consolidating PSAPs.

#### **Counties should manage PSAP operations**

The State NG9-1-1 system and the PSAPs it supports will eventually replace the existing 9-1-1 systems throughout the State. CCAO recommends that PSAP management become the responsibility of commissioners as a county department. CCAO recommends that all calls to 9-1-1 be received at a single centralized PSAP location within the county, complimented with appropriate redundancy, for dispatch to the public safety/service provider covering the area where the call originates.

There is also a need to clearly distinguish between the PSAP 9-1-1 call receipt function and the dispatch function and ensure that a political subdivision that provides dispatch services for another subdivision can contract for and fully recover their costs in providing that service.

# JUSTICE AND PUBLIC SAFETY

## DRUG EPIDEMIC AND MENTAL HEALTH IMPACTS ON COUNTY JAILS

A county jail's primary mission is not to treat or house the mentally ill or addicted. Jails are not designed to be treatment facilities, and jail staff are neither envisioned nor trained to be treatment providers. The state must accept responsibility for the management and care for the mentally ill and addicted population and get them out of jails.

## A COUNTY JAIL'S PRIMARY MISSION IS NOT TO TREAT OR HOUSE THE MENTALLY ILL OR ADDICTED.

The continued incarceration of mentally ill and addicted individuals in county jails places an undue burden of risk and of cost upon these facilities and is clearly outside the purpose for county jails. Jail employees are not trained to manage or treat individuals suffering from mental illness or addiction. The mentally ill or addicted population is at high risk for injuring themselves or others.

The health care costs for these individuals are excessive, and their housing in a jail threatens public safety by taking up scarce bed space that was designed for and should be used for housing real criminals.

An emphasis must be placed upon developing, improving and increasing programing and funding for:

- Access to mental health and addiction services for jail inmates to ensure their continuity of care.
- The statewide behavioral health triage program that provides regional centers where law enforcement can take individuals in custody or incarcerated who need immediate mental health crisis intervention or acute substance use disorder stabilization.
- Expanding the number of drugs covered by the highly successful Department of Mental Health and Addiction Services' reimbursement program for psychotropic drugs prescribed for county jail inmates.

## COMMITTEE RECOMMENDATIONS

### ADOPT A RISK-BASED SYSTEM TO ESTABLISH BAIL FOR DEFENDANTS

CCAO urges the legislature to continue its deliberations on this subject and enact a risk-based system to establish bail for defendants. This risk-based system should include a mandate that a validated risk assessment tool be used, allow flexibility in determining which assessment tool is used, and provide funding recognizing that the utilization of the system will require additional staff to carry out and administer the risk assessment program.

Bail refers to the process of releasing a defendant from jail with conditions that reasonably protect public safety and ensure the defendant will show up for court. Ohio law defines bail as security for the accused to appear in court (ORC Section 2937.22). Usually there is a bond schedule established by the court for the various types of offenses, and if the individual can post the monetary amount required, they are released from jail. Risk of flight or the impact of the individual's release upon public safety, the true purposes for bail, are not taken into consideration under this methodology. If the individual can provide the money, they gain release from jail.

However, the ability to pay a bail bond is impossible for too many people. As a result, county jails house many pre-trial individuals who present no reasonable risk to the public safety but remain incarcerated simply because they don't have the money required to gain their release.

Considering that over 60% of average daily jail populations are unsentenced individuals who are unable post bail, CCAO believes a risk-based system to establish bail would help reduce county jail population.

### COVERAGE FOR MEDICAL COSTS OF UNSENTENCED JAIL INMATES

CCAO asks that the state encourage Congress to remove the so-called "inmate exception" that prevents payment of federal medical benefits for people in jail whether or not they have been convicted of a crime. Current federal benefits rules



that must be followed by the states leave counties solely responsible for the medical expenses of jailed individuals. As a result, qualified individuals in jail are automatically stripped of their federal benefits before they have been convicted. This appears to be a direct contradiction of the basic presumption of innocence, which is the foundation of the American criminal justice system.

The state also could assist counties by amending its Medicaid plan to both continue eligibility and provide benefits for a Medicaid eligible individual during their incarceration in a county jail. While federal law prohibits federal reimbursement for medical services provided to incarcerated individuals, it does not prohibit the state from spending state dollars at the Medicaid rates for such services which, if paid, would help subsidize the county's cost.

### **ELIMINATION OF MARCS USER FEES**

The state has committed a significant investment to upgrade the Multi-Agency Radio Communication System (MARCS) radio system to provide interoperability among local responders' communications equipment. One of the challenges to local governments wanting to utilize MARCS, however, is the cost-prohibitive monthly user fee the state currently charges local responders for use of the system.

The state budget has made grant funding available to rural fire departments to help them pay the monthly MARCS user fee. The current biennial budget provides GRF funding of \$2 million per year to subsidize \$10 of the \$20 monthly MARCS subscriber fees paid by political subdivisions during the FY 20/21 biennium.

Ultimately, in order to make the system a viable option for counties and other local governments' communication needs, the monthly MARCS user fee must be eliminated. For those political subdivisions that have negotiated equipment acquisition or sharing arrangements in order to reduce their user fee obligation, these agreements should be subject to renegotiation if the fee is permanently reduced or eliminated.

### **STATUTORY COURT COSTS**

Clerk of court fees (ORC Section 2303.20) were

last increased in 1992, and probate court fees (ORC Sections 2101.16 and 2101.17) have not been increased since 1976. These fees help offset the cost of the operation of the clerk of courts office and probate court. CCAO asks that these fees be increased significantly to offset the gross depreciation in their value resulting from inflation.

### **MUNICIPAL CHARGING PATTERNS**

CCAO must express its frustration regarding current municipal charging patterns. Presently, municipalities can choose whether to charge a misdemeanor criminal case under a local municipal ordinance or under the Ohio Revised Code. This decision holds great significance as it relates to whether it is the city or the county who will pay for the costs of detention, mental health evaluations and public defense expenses and which will benefit when fee or fine monies are collected. While municipalities are understandably authorized under their home rule authority to establish a criminal code and exercise police powers, this power should not extend to shifting costs to the state via counties by citing an individual under the Ohio Revised Code when the individual case offers no financial incentives for the municipality to prosecute the case under its municipal ordinance authority.

### **COMMISSIONERS USE OF OUTSIDE LEGAL COUNSEL**

The board of commissioners may employ an attorney other than the prosecuting attorney to represent it on either a particular matter or on an annual basis. However, the total compensation paid in any year for outside counsel cannot exceed the total annual compensation of the county prosecuting attorney. CCAO asks that this artificial spending cap imposed by ORC Section 309.09(C) be eliminated.

### **STATE SUBSIDY FOR HOUSING CERTAIN PRISONERS IN COUNTY JAILS**

State laws and policies have contributed to the significant increase in county jail population. State funds should be appropriated to reimburse counties for the costs of housing prisoners in county jails that are doing any of the following:

- Serving sentences for a felony conviction.

## JUSTICE AND PUBLIC SAFETY

- Being held by the Adult Parole Authority pending a parole revocation hearing.
- Being incarcerated pursuant to the provisions of the Domestic Violence Preferred Arrest Law.
- Serving mandatory jail sentences under the state's OMVI laws.
- Prisoners who must be retained in the county jail because DRC is unable to receive them.
- Consideration should be given to expanding the use of magistrates and magistrate authority as an alternative to creating a new judgeship due to docket pressures. In addition, the state should provide a similar level of funding for a magistrate's salary as is currently provided for a judgeship.

### SHERIFF DEPUTY TRAINING REQUIREMENTS

Counties must receive complete reimbursement for all costs associated with any mandatory law enforcement continuing professional training required by the state. These costs include not only the costs for the actual training but also the officer in training's regular salary and the covering officer's salary at time and a half.

### COURT SYSTEM RESTRUCTURING AND MANAGEMENT

While CCAO recognizes and respects the court system as an independent third branch of government, several issues involving the judicial system are impacting counties' efforts to increase efficiency and contain costs.

- The current system of county and municipal courts is balkanized, functions inefficiently and ineffectively, and, consequently, costs local government more than it should to operate. A complete review and restructuring of the misdemeanor court system should take place.
- The state should begin moving toward the assumption of full responsibility for the operation and management of the common pleas court system in the state, thereby fostering a more collaborative and unified system.
- There is an increased incidence of courts demanding funding of budget requests which are neither pragmatic nor responsible, and that exceed funding parameters imposed upon other county officials and challenge resource allocation.
- A periodic review of the number of judgeships required in the various courts based upon population and caseloads should be undertaken.

### DRC COMMUNITY CORRECTIONS PROGRAMS

The Department of Rehabilitation and Corrections (DRC) and the Department of Mental Health and Addiction Services (MHAS) have begun to work cooperatively to develop and fund programs to support a continuum of community corrections programs. These programs provide drug and alcohol counseling and treatment and services for the mentally ill in the county jails. CCAO strongly supports this collaboration and encourages a much greater level of reinvestment in the communities to support these goals.

The Department of Rehabilitation and Corrections' "Community Corrections Act" programs should continue to be used as the foundation upon which to build this infrastructure. These highly successful programs are developed through evidence-based analysis, and best practices models are funded through the Division of Parole and Community Services. Community Corrections Act (CCA) line items support felony prison diversion and misdemeanor jail diversion programs in the local communities.

Funding for these CCA programs should continue to be increased and new program options developed to support local communities as best practices become identified. Additional funding should be allocated specifically to county government through the CCA Jail diversion (407 line item) to provide funding to assist local government in providing treatment and services to those addicted to opiates and other illegal substances or experiencing a mental health disorder.

### DYS JUVENILE JUSTICE FUNDING

Support for local juvenile justice programing has been ignored for over a decade. It is well past time for the state to significantly increase funding through the Department of Youth Services for juvenile detention services. RECLAIM Ohio and the Youth Services Grant (510 line item) are the major components for juvenile justice funding and

## JUSTICE AND PUBLIC SAFETY

absolutely are critical funding programs for Ohio's juvenile courts, accounting for approximately 33% of their operating budgets.

Annual RECLAIM Ohio funding has remained at approximately \$30 million per year since FY 10. The Youth Services Grant also continues to be flat funded, as it has been since FY 03, at \$18.6 million per year. Together, these line items have seen almost a 10% reduction in funding from the FY 02 appropriation levels.

Failure to fund these line items adequately will lead to increased commitments to DYS institutions because the resources will no longer be available locally to serve these youth in their communities.

### **COMMUNITY BASED CORRECTIONS FACILITIES**

Community Based Corrections Facilities (CBCFs) are secure residential facilities that house individuals who have been diverted from the state's prison system in order to provide them with intensive programming and rehabilitation services that will lead them to choose not to reoffend. CBCFs are created by the common pleas courts through the establishment of a judicial advisory board and are managed by a local facility governing board comprised of individuals appointed by the judicial advisory board and the county commissioners of the member counties. CBCF funding is provided through grants administered by the Department of Rehabilitation and Correction. An expansion of the current funding would allow for the diversion of more individuals from prison into the CBCF programming.

State law limits the time an individual can stay in a CBCF to a period of six months or less. However, new research and empirical analysis suggests that programming objectives and results are more effective and successful if treatment is extended beyond six months. CCAO recommends that the legislature work with the Department of Rehabilitation and Correction to determine if state law should be amended to allow for a longer maximum stay in a CBCF and whether CBCF programming could effectively provide addiction and mental health rehabilitative services that would benefit the remediation of the opiate crisis.

### **STATE FUNDING OF THE LEADS SYSTEM**

With the advent of the Statewide Emergency Services Internet Protocol Network (ESINet) Steering Committee, the administration of the state's Law Enforcement Automated Data System (LEADS) should be merged into the ESINet to eliminate the need for county contributions for maintaining the system and should provide a funding mechanism to local jurisdictions to cover the cost of hardware and software upgrades required by new technology applications.

### **PROSECUTION OF CRIMES OCCURRING ON STATE PROPERTY**

The state should provide a biennial appropriation line item to pay 100% of the costs incurred by counties for prosecuting offenders who commit crimes at state institutions, such as state prisons, or on state-owned property.

### **VOLUNTEER FIRST RESPONDERS TRAINING**

The number of hours required for a volunteer to become certified and maintain certification as a fire fighter or emergency medical service responder has become onerous. The state should reevaluate the training requirements for these volunteer positions.

# METROPOLITAN AND REGIONAL AFFAIRS

**Chair: Gloria Rodgers, Summit County Council, District 3**

**Vice Chair: Kevin Boyce, Franklin County Commissioner**

**Staff: Jon Honeck, Senior Policy Analyst**

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The 11 Ohio counties with a population exceeding 225,000 meet periodically to review issues of critical importance to metropolitan counties and to deal with issues relating to regionalism. Counties in metropolitan areas experience unique challenges requiring specific legislative actions and responses to assist their constituents. While many metropolitan county issues are covered in other areas of this platform document, the following are either unique to metropolitan counties or present themselves in a unique way.

Metropolitan counties serve as important regional centers for economic development. The depth and breadth of challenges they are grappling with in the face of eroding revenues and exploding costs attributable to the opiate epidemic are unique in our history. Now, these densely-populated counties have urgent challenges of fostering an economic recovery in the face of the worldwide coronavirus epidemic. If Ohio is to prosper into the future, now is the time for a stronger state-county partnership.

## COMMITTEE PRIORITIES

### RACISM AS A PUBLIC HEALTH CRISIS

The six largest counties in Ohio have adopted resolutions declaring that racism is a public health crisis. These resolutions identify a long list of disparities in outcomes for black residents in health, education, housing, employment, nutrition, and criminal justice. The combined effects of these disparities negatively affect the quality of life for black residents in metropolitan counties and across the state.

Ohio counties are committed to proactively addressing the effects of racism within county government operations and in their wider communities. Counties are reexamining their policies for employment, criminal justice administration, contracting, economic development, health care, and social services to ensure equity in all areas. CCAO will work with the General Assembly, the Governor and other state elected officials to ensure that the state of Ohio enacts policies and follows

administrative practices that eliminate racial disparities in all policy areas.

### ACCESS TO HEALTHY FOOD

One of the causes of unequal health outcomes for minorities in urban counties is the existence of “food deserts.” Using 2015 data, US Department of Agriculture researchers found that 15.2% of all Ohio census tracts were both low-income and low-access with respect to food. In an urban setting, this means being more than one mile from a grocery store. State policymakers should work closely with local health and economic development officials to develop incentives to ensure access to healthy food for all Ohioans.

### PUBLIC TRANSIT IN PERIL

Public transit in metropolitan areas is how thousands of people get to work, school, and medical appointments. Public transit received a historic investment of \$70 million per year in the transportation budget bill in 2019. However, just two years earlier, transit authorities lost \$40 million per year in local sales tax revenue as a result of the elimination of Medicaid managed care sales tax.

Transit authorities will need increased state and federal investment to address short-term and long-term challenges. In the second quarter of 2020, ridership at major metropolitan transit agencies plummeted because of the COVID-19 pandemic. In large metro systems, declines in the range of 50 to 60 percent were common, greatly reducing fare revenue and putting severe financial stress on transit authority finances.

## TRANSIT AUTHORITIES WILL NEED INCREASED STATE AND FEDERAL INVESTMENT TO ADDRESS SHORT-TERM AND LONG-TERM CHALLENGES.



## METROPOLITAN AND REGIONAL AFFAIRS

In the long-run, the Ohio public transit vehicle stock is aging and much of it will need to be replaced over the next five years. ODOT's statewide transportation study in 2015 noted that an estimated one-third of vehicles in the urban public transit fleet need to be replaced and that another \$555.3 million is needed. This will rise to \$903.9 million in 2025.

Metropolitan counties cannot help advance economic and workforce development for Ohio without a stronger state partnership to provide public transit. We must work together to find a funding solution for public transit. Additional public transit recommendations include:

- Identify a dedicated funding source to increase our investment in public transit.
- Urge the Ohio Congressional delegation to modify federal law so that Federal Transit Administration Section 5307 funds, whose use now is limited to capital projects, can be employed more flexibly by local transit systems.
- The Ohio Department of Transportation also should pass through the full amount of the federal obligation ceiling to local entities for critical transit needs.

### **OPIATE EPIDEMIC: CREATING ABILITY FOR THE GOVERNOR TO DECLARE AN OPIATE HEALTH EMERGENCY**

The social isolation and stress created by the COVID-19 pandemic threatens to undermine progress in combating the opiate epidemic. Building upon the model used to respond to natural disasters, it is time to bring new emergency response capability to county government in order to respond to the devastation that is being experienced. Such a response could include extraordinary powers for the executive branch when certain conditions are met, as well as access to special matching funds for specific emergency needs. Some needs identified by metropolitan counties include:

- Expanded detoxification and treatment access.
- Resources to expand access to Naloxone.
- Offset the growing costs associated with autopsies and toxicology reports.
- Jail inmate medical cost relief.

- Provide relief for increased demand on child protective caseworkers.
- Early education, prevention and intervention resources.

The FY 2020-2021 state budget made additional investments in Substance Abuse Stabilization Centers, Recovery Housing, and Child Protective Services. While these efforts are helpful, the state needs to partner with us to do more in this area.

### **CHILD PROTECTIVE SERVICES**

Fifty-five percent (approximately 1.6 million) of the state's total child population reside in Ohio's 11 metropolitan counties. As of July 1, 2018, 65% of Ohio's children in custody lived in these metropolitan counties. Given the number of Ohio children depending on these counties for safety and permanency services, metro counties are particularly focused on strengthening the state-county partnership in children services. To view CCAO's recommendations around Ohio's children services program, see the **Human Services** section of this document.

### **CHILD CARE: BALANCING ACCESS AND QUALITY**

A critical component to escaping the cycle of poverty is subsidized child care that makes it possible for parents to work in entry-level positions upon which a career can be built. Counties administer the publicly-funded child care programs that help eligible families pay for child care. Metropolitan counties often have high concentrations of poverty and, consequently, also have a large percentage of the publicly funded child care caseload.

## **METROPOLITAN COUNTIES OFTEN HAVE HIGH CONCENTRATIONS OF POVERTY AND, CONSEQUENTLY, ALSO HAVE A LARGE PERCENTAGE OF THE PUBLICLY FUNDED CHILD CARE CASELOAD.**

Step Up to Quality is Ohio's quality rating system for child care programs. The Ohio Department of

# METROPOLITAN AND REGIONAL AFFAIRS

Education and the Ohio Department of Job and Family Services use a one to five-star rating system to assess ODE and ODJFS licensed early childhood programs that choose to exceed minimum health and safety standards.

As of September 1, 2020, 100% of providers authorized to provide Publicly Funded Child Care in Ohio were participating in Step Up To Quality (SUTQ). The state should gather data to assess unmet needs and gaps in coverage. Because child care is a vital work support program, CCAO supports an increase in the income eligibility threshold for the program.

## INDIGENT DEFENSE

It is time for the state to assume complete responsibility for indigent defense. Considering the revenue losses counties have sustained, Ohio should relieve counties of this burden. The state made substantial progress toward this goal in the FY 2020-2021 budget and this process should be finalized in the FY 2022-2023 budget biennium. For a more detailed description of the history and details, please see the **Justice and Public Safety** section of this document.

## NEXT GENERATION WORKFORCE

### High Quality Preschool

Several metropolitan counties are providing resources to promote county-wide access to high quality preschool. Many counties are working with various business and community leaders to follow best practices that lead to an educated and prepared future workforce. By ensuring that all children can attend at least one year of affordable or no-cost, high quality preschool, a number of critical indicator improvements are likely:

- Children who attend high quality preschool are more likely to complete high school and attend college.
- Children who attend high quality preschool are less likely to enter the criminal justice system or go to prison.
- Children who attend high quality preschool are more likely to earn a living wage within a career with advancement opportunities.

This initiative involves:

- Educating the community and families about the importance of all children attending a high quality preschool.
- Expanding the availability of high quality preschool through both the development of new preschool resources and through improving the quality of existing providers.
- Assisting families in finding and paying for high quality preschool.

We need the state to be a partner with us as we invest in Ohio's children and in Ohio's future.

## LEAD POISONING PREVENTION & REMEDIATION

Given the devastating impact lead can have on children's bodies, it is a critical health and education issue. Minority and low-income children are disproportionately affected because they live in older housing units.

The FY 2020-2021 state budget established a lead abatement income tax credit and a grant program using Medicaid funds administered by the Ohio Department of Health.

These initiatives are important, but given the scope of the problem, it is time to redouble efforts to help residents to conduct testing and take steps to remediate lead. We need a strong state partner that can help our communities with resources to combat this problem.

# TAXATION AND FINANCE

**Chair: Dan Dean, Fayette County Commissioner**

**Vice Chair: Steve Davis, Fairfield County Commissioner**

**Staff: Jon Honeck, Senior Policy Analyst and Adam Schwiebert, Policy Analyst**

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## COMMITTEE PRIORITIES

The General Assembly enacted several of CCAO's key policy priorities into law in the FY 2020-2021 budget bill. Most importantly, the General Assembly followed the US Supreme Court's decision in *Wayfair v. South Dakota* by creating an economic nexus standard that applies sales and use tax law to out-of-state vendors that lack a physical presence in Ohio. A vendor with \$100,000 in annual sales or 200 individual transactions in Ohio must register with the Ohio Department of Taxation and collect use tax. These same thresholds apply to a business that runs an online marketplace that sells products from other companies. These changes modernized the sales and use tax to keep up with the shift to internet transactions, and they played an instrumental role in supporting county revenues during the COVID-19 pandemic.

Other notable changes included additional, permissive authority to enact a sales tax specifically to construct or renovate a county detention center, and the ability to adjust sales taxes in increments of .05%. The committee thanks the General Assembly for its support of counties and looks forward to a dialogue about the following priorities in 2021 – 2022.

### **PRESERVE STATE/COUNTY SALES TAX BASE**

CCAO urges the Administration and the General Assembly to preserve Ohio's sales tax base.

CCAO opposes legislation which would narrow the sales tax base, such as legislation that would exempt employment services and employment placement services from the sales tax.

Given the state's increased reliance on the sales tax as the #1 revenue source to the state GRF, it stands to reason that state government has a compelling interest in protecting the sales tax as a critical part of the state tax base. Thus, the state and counties should work together to protect the sales tax as a critical funding source for both levels of government.

### **EXTEND THE SALES TAX TO SMALL HOTELS**

CCAO recommends that the sales tax exemption for small hotels be removed so that the sales tax applies to all hotel transactions.

Currently, Ohio Revised Code section 5739.01(G) defines a "hotel" for the purpose of the sales tax law as being an establishment held out to the public where sleeping accommodations are offered to guests, in which there are five or more rooms that are used for the accommodation of the guests. The definition effectively exempts rooms at small hotels and "bed and breakfasts" from the sales tax. Commissioners can adopt a resolution to extend the lodging tax, but not the sales tax, to these smaller establishments.

This exemption leads to a significant tax revenue loss in counties with numerous small hotels.

The revenue loss will only grow worse over time as Airbnb and other online hotel booking sites become more widely used.

### **ENSURE CORRECT VALUATIONS IN REAL ESTATE TRANSACTIONS USING LLCs**

It has become common in real estate transactions, including residential sales, to characterize the sale as a transfer of ownership shares in a limited liability company or other pass-through entity. In this way, the parties avoid recording a new deed with the county auditor and paying the conveyance fee (real property transfer tax). This practice reduces county revenue and undermines the ability of the auditor to fairly value the property. Over time, as real estate transactions are removed from public scrutiny, it becomes increasingly difficult to maintain a complete list of comparable arms-length transactions that are necessary for the county auditor to establish proper valuations. As a result, property tax millage may be set at higher rates than are otherwise necessary and taxing districts must file more frequent challenges of LLC-owned property.

## TAXATION AND FINANCE

CCAO supports legislation that will ensure transparency when a controlling interest is transferred in an LLC that owns real estate. Legislation should create and enforce a method to fairly value real estate in transactions that include many different types of assets so that the transfer tax can be levied in a fair and transparent manner.

### MODERNIZE INFRASTRUCTURE FUNDING

Ohio's infrastructure has a huge impact on economic development and quality of life.

The adequacy of infrastructure funding for our highway transportation system and our local utility infrastructure must be revisited.

Adjustments to highway user fees, and additional grants, loans and subsidies for the capital costs of local utility infrastructure need to be considered by the state.

Historically, Ohio has met its transportation needs with motor vehicle fuel (gas) taxes and motor vehicle license fees. Ohio counties rely on an equal share of gas taxes to each county as well as a formula for distribution of motor vehicle license taxes to provide stable funding for county highway improvements. While the combination of gas taxes and license fees has worked well for Ohio's counties and the state, inflationary increases in the cost of construction have effectively reduced the buying power of user fee dollars to make necessary improvements to county roads and bridges.

In 2019, the transportation budget bill enacted the first increase in Ohio's motor fuel tax since 2005. The tax on gasoline increased by 10.5 cents per gallon and the tax on diesel fuel by 19 cents per gallon. At the time, this increase was expected to generate \$865 million annually for road and bridge construction and repair. Of this total, approximately \$135 million total was designated for counties.

In 2020, however, the pandemic caused a dramatic shift in driving habits, and motor fuel purchases fell significantly. A continuation of this trend will jeopardize county road projects, which are facing years of deferred maintenance. Counties will need additional financial support for road and bridge infrastructure until the pandemic subsides. CCAO

supports annual adjustments to the motor fuel tax indexed to the rate of inflation.

Ohio, like much of the country, is facing massive water and sewer infrastructure upgrades. The Flint, Michigan, water crisis and the Sebring, Ohio, lead contamination tragedy illustrated the challenges that our aging infrastructure is facing to adequately provide quality drinking water for our citizens and businesses that rely on water.

The U.S. Environmental Protection Agency's water quality report to Congress says it will take more than \$14.5 billion to fully fund needed storm water and waste water projects in Ohio, and \$12.2 billion for drinking water projects, over the next twenty years. Ohio requires \$7.5 billion in capital costs to prevent or control mixed storm water and untreated wastewater from discharging into water systems – the second highest of all states.

Project costs for new construction, repair or maintenance of our water and sewer infrastructure far exceed the financial capacity of the counties and local governments to incur these obligations. The state must find ways to address these challenges and facilitate payment of these project costs. CCAO recommends exploring options such as: allocating public works bonding capacity to these projects, re-establishing the Ohio water and sewer rotary commission, and providing greater funding support, including more matching grants for governments and citizens confronted with EPA orders to install water and sewer systems.

### SUPPORT FULL RESTORATION OF THE LOCAL GOVERNMENT FUND TO 3.68 PERCENT OF STATE GENERAL REVENUE FUND TAX REVENUE

CCAO supports the full restoration of the Local Government Fund to 3.68% of state General Revenue Fund tax revenue, the statutory level in 2011 before the LGF was cut in half.

The Local Government Fund (LGF) represents the most critical element of state assistance to counties. In most counties, the LGF is one of the larger individual sources of income to the county general fund. The concept of sharing the major state taxes with local governments should be retained. From the perspective of counties, the LGF helps pay for



## TAXATION AND FINANCE

various state-mandated programs. Unfortunately, the Local Government Fund has been reduced in recent years, posing an increasing challenge for counties.

From 2001 to the present, the LGF experienced the following changes in relation to the state:

- July 2001 to January 2008 LGF was cut and frozen for 6.5 years resulting in a \$644 million gain to the state GRF and an equivalent loss to local governments.
- LGF put back on a percentage of tax receipts formula (3.68% of state GRF) with the support of local governments in 2008.
- LGF distributions decline by an additional \$100 million or 14% from 2008 to 2009 due to the fiscal impact of the Great Recession on state GRF revenues.
- SFY 2012-2013 state budget reduces LGF by roughly 50% over a two-year period.
- LGF put back on a percentage of state GRF tax receipts formula with LGF to receive 1.66% of state GRF as part of the SFY 14-15 state budget.
- House Bill 166, the FY 2020-2021 operating budget, increases the permanent share of state GRF tax receipts to 1.68%.

Since 2011, proposals have surfaced in the General Assembly to change the formula for distribution of LGF receipts so that townships and municipalities would receive a greater relative share of the funding by reducing the amounts received by most counties.

The primary reason stated for this redistribution among the political subdivisions in the county is the fact that counties now receive casino revenue. CCAO opposes this change in the local distribution formula because counties continue to fund many mandated state programs that benefit the residents of municipalities and townships. If the LGF formula is to be changed, it must follow an analysis of not only revenues but also of state mandated expenditure requirements by various local governments.

## **RESTORING THE LGF TO ITS PREVIOUS STATUTORY LEVEL OF 3.68% OF THE GENERAL REVENUE FUND (GRF) RECEIPTS WOULD CREATE AN ADDITIONAL \$145 MILLION ANNUALLY FOR COUNTIES.**

### **MODERNIZE COUNTY BUDGET PROCESS AND BUDGET CONTROLS**

CCAO supports the modernization of Ohio budget and appropriation laws so that the process is better understood by the public, concentrates on decisions that actually authorize the expenditure of public dollars, and gives enhanced expenditure control to the board of county commissioners as the appropriation authority.

The proliferation of special revenue funds and the trend to earmark fees for the exclusive use of certain officials reduces flexibility for commissioners to allocate scarce resources to most-needed programs and removes effective oversight of the spending of public dollars. Too often when funds are earmarked for functions of specific county elected officials, these officials feel this money is “theirs” to do with as they choose. CCAO opposes any new mandatory earmarking of county revenue sources. Ohio’s budget laws should be amended to give commissioners more oversight over all county budgets.

### **PERMIT COUNTY COMMISSIONERS TO ACCESS SPECIAL REVENUE FUNDS**

Consistent with the authority of state government to divert money from certain special revenue funds to the state general revenue fund and to provide for the most efficient use of county resources, county commissioners should be authorized to divert money in special funds to the county general fund. Such authority should be exercised in accordance with the following:

- Not apply to funds comprised of voted property tax levies for specific purposes.
- Be done pursuant to a resolution of the board after public notice to other elected officials and

## TAXATION AND FINANCE

the public and after a public hearing.

- Assure that adequate funds remain in the fund to meet any specific statutory mandate.
- Be authorized through a resolution that applies only to the current fiscal year.
- Where a county elected official has control over a special revenue fund, permit the official to authorize the commissioners to transfer money from the special fund to the county general fund. If the county elected official with control over a fund refuses to authorize a transfer, permit the commissioners subject to the conditions outlined above to transfer special revenue funds to the general fund.

### SEVERANCE TAXES ON OIL AND GAS

CCAO supports the following policy with respect to any proposal to increase severance taxes on the production of oil and gas:

- Increase the tax rate – The severance tax on oil and gas companies should be increased to a rate reasonably similar to the severance tax rates established by other oil producing states.
- Majority of revenue to impacted counties – At a minimum, a majority of the severance tax revenue derived from horizontal wells should be retained by the counties in the Marcella or Utica shale plays. This revenue should be utilized by the counties and other local governments to develop infrastructure that improves the health, safety and welfare of their citizens or is designed to enhance the potential for economic development, job creation and growth within the shale play area. In addition, this revenue should support the increased demand for government services that are required to respond to, mitigate or minimize the impacts resulting from the activity to access, extract, refine and transport to markets the minerals contained in the shale plays.
- Revenue from increased severance taxes on oil and gas companies should be used minimally to subsidize any form of tax cuts.
- LGF hold harmless – Local governments must be held harmless for any reduction of the Local Government Fund receipts resulting from the extension of any tax cuts or tax reductions that are subsidized with severance tax revenues. Any revenue required to do this must come off the top prior to any revenue allocated to support state agency operations including the ODNr orphan well closure program. In addition, it should not be taken for the allocation distributed to local governments within the shale plays.
- Some revenue should be used to restore local government funding cuts or to provide property tax relief.
- The property and Ad-Valorem tax formula in state law needs to be revised. Specifically, the law should provide local communities with more revenue from property taxes than they are expected to receive under the current tax structure. The ad-valorem tax formula should establish separate values for natural gas and its various derivative products, such as, but not limited to, methane, ethane and propane.
- Road Use Maintenance Agreements (RUMA) – RUMA must be a mandatory condition for issuing a state permit for an oil and gas well and for a deep injection well for hydraulic fracturing waste fluids. If an agreement cannot be reached between the well owner/drilling company and local governments, a provision should be made for the appointment of an arbitrator to resolve any disputes and to make sure that a RUMA does not become an impediment to oil and gas development. CCAO also supports a RUMA requirement in cases of natural gas and other pipelines which trench road rights of way and other public infrastructure. It is important that public roads be protected from damage by pipeline transportation companies and a mandatory RUMA protects the public investment in highway infrastructure.
- Injection Wells – The state should raise fees on the disposal of hydraulic fracturing waste and share the revenue with impacted local governments to fully reflect the impact that heavy truck traffic has on public infrastructure. Provisions should be made for local governments that have Class II injection wells operating within them to receive compensation

from the injection well operator based on the volume of hydraulic fracturing waste disposed through the well. Waste liquid derived from the hydraulic fracturing process must be required to be processed to reclaim and recycle the water and its other natural and chemical additives and reduce the volume of material remaining that retains no commercial value. The remaining fracturing liquid must be disposed of in a manner approved by the Ohio EPA.

### RENEWABLE ENERGY PILOT PAYMENTS

Current law gives commissioners the authority to approve payments in lieu of taxes (PILOT payments) for wind, solar, and other types of renewable projects (ORC 5727.75). These payments are limited to \$9,000 per megawatt of nameplate capacity. CCAO supports indexing the payment limit to the annual rate of inflation. CCAO also supports legislation to require project applicants to provide accurate and verifiable information on the amount of utility tangible personal property taxes and real property taxes that would be foregone if the application is approved. Counties should have the option to choose the current system or to base PILOT payments on a percentage of annual taxes that are foregone due to the exemption.

## COMMITTEE RECOMMENDATIONS

### CASINO REVENUES

CCAO believes that the will of the voters in providing for the distribution of revenues to counties and other local governments should be upheld and that efforts to earmark or specify how these revenues are to be used by local governments should be avoided by the legislature, particularly given the uncertainty associated with this new revenue source. Any change in allocation of the gross casino revenue tax should only occur pursuant to another constitutional amendment.

The constitutional amendment provides clear language prohibiting the state from supplanting existing funding obligations of the state with the new revenue. Efforts to change the Local Government Fund distribution formula to give more funds to municipalities and townships violate the principle of

no supplantation of existing funding embodied in the constitution.

### LEGALIZE SPORTS BETTING

CCAO supports the legalization of sports betting in Ohio, provided that counties receive a fair share of revenue from this type of wagering, similar to the current distribution formula for casino revenue.

### DEVELOPMENT IMPACTS ON TRANSPORTATION INFRASTRUCTURE

While CCAO supports the expansion and development of businesses, counties need additional revenue sources and assistance to address new infrastructure demands caused by that expansion and development.

CCAO supports additional grants and revenue sources from the state to help finance such infrastructure. In providing additional support to counties for transportation infrastructure, the state needs to consider the different needs of rural and urban areas by providing assistance to address specific types of infrastructure challenges that are unique to rural, suburban and urban areas.

CCAO also supports a requirement that county commissioners and county engineers be notified of anticipated major new operations or expansions of businesses that could impact roads. CCAO supports a requirement that businesses/developers should work with local officials in exercising mutual responsibility to maintain the local highway infrastructure.

In addition to financial support from the state, CCAO also supports new local tools, including collaborative authority for local governments to create transportation innovation authorities (TIAs). Transportation innovation authorities have been utilized by local jurisdictions in other states to finance cross-jurisdictional and multimodal transportation projects that have created jobs.

### IMPACT FEES

The legislature should authorize counties to impose impact fees for new development.

Permissive authority to impose impact fees should

## TAXATION AND FINANCE

require counties, subject to public notice and comment, to conduct a careful study of additional costs attributable to new development and provide an equitable system for distributing costs among benefiting users.

Impact fees could be used to pay for highway improvements, recreational facilities, and water, sewer and drainage improvements.

### WAIVER OF TAX BUDGET

Permit a board of commissioners to waive the tax budget for all levy-funded county agencies, provided the county budget commission is given necessary information on tax levy funds.

### STATUTORY COURT COSTS

Clerk of court fees (ORC Section 2303.20) were last increased in 1992, and probate court fees (ORC Sections 2101.16 and 2101.17) have not been increased since 1976. These fees help offset the cost of the operation of the clerk of courts office and probate court. CCAO asks that these fees be increased significantly to offset the gross depreciation in their value resulting from inflation over the 28-year and 44-year periods.

### BILLING FOR COUNTY EMS RUNS

CCAO supports an amendment to the county EMS law explicitly granting counties authority to bill third parties for emergency medical service runs.

### LOCAL GOVERNMENT FUND ESTIMATES

CCAO supports an amendment to the Local Government Fund (LGF) law to require the Department of Taxation to issue to each county auditor updated LGF estimates in the same manner in which such estimates are provided for the Public Library Fund during the calendar year in which such funds are to be distributed.

### TRANSFERS FROM SPECIAL FUNDS TO THE GENERAL FUND FOR COST OF INSURANCE AND SELF-INSURANCE

CCAO appreciates recent changes to the joint self-insurance statutes that harmonize the single and

joint self-insurance cost allocation methodologies for benefiting special funds in the county. CCAO recommends that the statutes relating to purchase of health insurance and property and liability insurance be reviewed to assure that ORC Sections 9.833, 2744.08 and 2744.081 are consistent and comply with professional insurance, actuarial and technical standards. As it relates to cost allocation language in these laws, they should be consistent with language in ORC Section 4123.41, which relates to the allocation of costs for workers compensation.

Current insurance laws provide that costs are to be based on the relative exposure and loss experience. CCAO seeks an amendment to add “or any combination of these factors,” to be consistent with language in the workers compensation statute.

### PERMISSIVE TAXES

As part of its continuing joint effort with the state to provide stable funding sources for counties, CCAO supports increased flexibility for counties to levy permissive sales and use taxes to fund needed services at the local level. CCAO appreciates the change made in the FY 2020-2021 budget bill to allow adjustments to the county sales tax in increments of .05 percent.

CCAO also supported another provision enacted in the FY 2020-2021 budget bill that allowed for transfer of up to 0.5% in unused transit authority taxes to counties for the purpose of jail construction and renovation. This law should be broadened to include operating expenses. The law should not require commissioners to submit the proposal to the electors; however, the right to referendum should be retained.

The authority to levy local sales taxes should be reserved for counties, and CCAO opposes efforts to give this authority to school districts and other political subdivisions.

### SALES TAX BASE BROADENING AND TAX REFORM

As part of a continuing effort to provide stable revenues to counties, enhance county fiscal security and generate revenue in a fair and equitable manner from all segments of our evolving economy, CCAO supports the broadening of the state’s sales and use



tax base to include additional services and internet, catalogue and telephone sales.

CCAO objects to, and will strongly oppose, efforts to reduce or eliminate, or to recapture for the benefit of the state at the expense of counties, any additional sales and use tax revenue generated by counties through any broadening of the sales and use tax base that extends the tax to additional services, or to additional types of sales, such as internet, catalogue or telephone sales. Finally, if any new tax reform results in the repeal or modification of additional major local taxes, the General Assembly should provide full, complete and permanent replacement of lost revenue to local governments.

### **IN ORDER TO STABILIZE COUNTY REVENUE, THE STATE MUST PROTECT THE SALES TAX BASE, THE PRIMARY REVENUE SOURCE FOR COUNTY GOVERNMENT, FROM NEW CARVE OUTS AND EXEMPTIONS.**

#### **VENDOR OR CONSUMER SALES TAX REFUNDS**

Consumer or vendors have four years from the date that they erroneously or illegally paid the tax to file for a refund with the tax commissioner, unless the consumer or vendor, with the approval of the tax commissioner, waives the four-year time limitation under ORC Section 5739.16(A)(3). If the time limitation for filing a refund request is waived, state law should be amended to require that the refund period is extended so that the refund occurs over the same time period as the waiver.

State tax policy should discourage overpayment of state sales taxes by vendors. Vendors should be encouraged to pay only the sales taxes that are owed, thus minimizing the need for costly and financially disruptive refunds paid by county governments.

CCAO supports reducing the time period during which a consumer or a vendor may seek a refund from four to three years. CCAO also supports eliminating the

provisions of law (ORC Sections 5739.07 (D) and 5739.16 (A)(3)) permitting a consumer or vendor to waive, with the approval of the tax commissioner, the four-year time limit for an indefinite period of time.

Existing law requires the tax commissioner to recover from the current receipts of the same tax source from which a refund is to be paid.

If the current receipts from that tax source are inadequate for the purpose of covering the refund, then the refund is transferred from the current receipts of the state sales tax and then reimbursed to the state from the next distribution of that tax to the taxing jurisdiction.

If the refund exceeds 25% of the next distribution of the tax, the tax commissioner may spread the recovery over a period of no more than three years, taking into account the amount to be recovered and the amount of future distributions (ORC Section 5703.052).

CCAO supports extending the length of time a county may reimburse a consumer or vendor for an overpayment, from a maximum of three years to a maximum of four years.

CCAO supports requiring the Department of Taxation to share sales and use tax return and audit information to boards of county commissioners to verify vendor compliance with a county's sales and use taxes.

#### **INDIRECT COST**

CCAO supports legislation to authorize counties to recover indirect costs, including the costs of building renovations and expansions, from non-general fund programs, following strict cost accounting principles.

#### **CONTROL OF AUDIT COSTS**

CCAO supports legislative and other efforts to relieve counties of the costs imposed by state audits. Audit cost reductions should be based on the population of the county, a percentage of the county's annual budget, or other fair and equitable criteria, with special consideration given to the costs imposed on less-populated counties.

## TAXATION AND FINANCE

In addition, CCAO supports legislation authorizing county commissioners to charge each office for the cost of an audit performed by the state auditor's office, and authorizing the state auditor to waive annual audits in favor of biennial audits for entities that the state auditor determines to be at low risk of having audit exceptions.

### DEPOSIT OF ALL FUNDS IN COUNTY TREASURY

Under current law, there are a variety of bank accounts maintained outside of the county treasury. CCAO supports legislation to require all monies collected by county agencies to be deposited and disbursed from the county treasury and all outside bank accounts be closed. Asset forfeiture funds should also be accounted for within the county auditor's general ledger. Exceptions to this general rule would be allowed for child support custodial monies and law enforcement undercover accounts of the sheriff and prosecutor. In the case of these accounts, additional financial reporting and internal controls would be required.

### USER FEES

CCAO supports the increased utilization of user fees to fund specific county services. CCAO supports a thorough review of user fees and modernization of all user fees to reflect the cost of doing business.

General tax dollars should not be allocated to subsidize county functions that benefit users of specific services. Where policy does not dictate uniform statewide fees for services, the county should be given additional authority to adjust fees to reflect the cost of performing the specific service. Existing fees that go to the county general fund should not be earmarked for the exclusive use of any one office. County commissioners must have flexibility to allocate resources in the budget process and provide appropriate oversight of spending of public monies.

In addition, authority should be granted to establish fees for the services of the county auditor as the sealer of weights and measures.

Counties also should be given permissive authority to test the quality of fuel, but only if fees are charged to the fuel providers to fully fund the initiative.

Finally, CCAO seeks an increase in the current 50 cent fee to \$2.00, which goes to the county auditor's office, for the transfer or entry of land, lot, or part of lot, or the transfer or entry on or after January 1, 2000, of a used manufactured home or mobile home as defined in ORC Section 319.54(G)(2).

### COUNTY BOARD OF REVISION CHANGES

CCAO supports legislation to achieve the following:

- Create a more informal review process for adjustments to disputed valuations of \$50,000 or less.
- Allow county auditors, with the approval of the board of revision, to correct errors in real property valuations after the tax duplicate is delivered to the county treasurer.
- Allow a board of revision to issue subpoenas and compel the attendance of witnesses and production of records and documents.
- Allow a board of revision to issue protective orders to restrict discovery of a complainant's confidential information.
- File complaints with the probate court to compel compliance with the board's directives.
- Prevent any complainant who fails to provide to the board of revision any evidence or information that affects a property valuation from introducing that un-provided evidence or information in any appeal to the board of tax appeals or to a court.
- Require any person to be current in the payment of property taxes in order to file an appeal with the board of revision.

CCAO opposes legislation to permit anyone to appeal a decision from the county board of revision to the common pleas court. Appeals from the board of revision to the common pleas court should remain limited to property owners.

### COMPETITIVE BIDDING

Larger counties should be permitted to waive performance bond requirements on construction projects that do not exceed \$250,000.

The threshold for competitive bidding should be

raised from \$50,000 to \$100,000 (ORC 307.86). Indexing of the competitive bid limit to the consumer price index (CPI) should be required on either an annual or biennial basis. Corresponding increases should occur in the threshold for waiver of competitive bidding due to an emergency.

### **CONTRACTS FOR FISCAL AND MANAGEMENT CONSULTANTS**

CCAO supports legislation to provide that all contracts for fiscal and management consultants only can be executed by a board of county commissioners. This does not apply to appraisal contracts paid from the real estate assessment fund.

### **ADVERTISEMENT OF DELINQUENT PROPERTY TAXES**

CCAO supports legislation to establish a dollar threshold below which the listing of delinquent property taxes would not have to be advertised in newspapers of general circulation and allow the full delinquent property tax list to be published on the internet.

### **STATE TERM CONTRACTS**

CCAO supports legislation to eliminate state fees and quarterly reporting requirements for local governments using state term contracts and permit local governments to take delivery of patrol cars through local dealers.

### **PRESERVATION OF PROPERTY TAX CREDIT PROGRAMS FOR TAXPAYERS**

CCAO opposes efforts to further reduce in scope or eliminate the current state-funded property tax relief programs, including the 10% non-business credit, the 2½% owner occupied credit, and the homestead exemption program.

### **PRESENTMENT OF CERTIFIED COPIES, IN PLACE OF ORIGINALS, TO THE COUNTY AUDITOR**

CCAO supports legislation that would authorize the county auditor, when verifying the amount and purpose of monies payable from the county treasury, to accept legible certified copies of original invoices, receipts, bills, credit card statements or checks in place of original documents.

The generating agency, office, officer, board or tribunal must make original invoices, receipts, bills, credit card statements or checks available for the county auditor to inspect at a time and place mutually convenient to both.

The county auditor must not require a generating agency, office, officer, board or tribunal to provide original invoices, receipts, bills, credit card statements or checks if originals are required to remain in the possession of the presenter for use in connection with any state, federal or other audit.

### **TAX MAP OFFICE**

CCAO supports amending Ohio law to eliminate the requirement that commissioners fund the tax map office from the general fund. Instead, the law should allow the tax office to be funded from the real estate assessment fund (REA) and designate the county auditor as the appointing authority of the tax map draftsman and other tax map office employees. Permit the consolidation of tax map office services and geographic information system (GIS) services.

### **COUNTY ENGINEER FUNDING**

CCAO supports legislation that eliminates the requirement that the commissioners support any part of the operation of the county engineer's office from the county general fund. To the extent constitutionally permissible, the engineer's office should be wholly funded through motor vehicle gas and license tax revenues collected by the state and distributed to county motor vehicle license and gas tax and road and bridge funds by the state.

### **PROHIBIT TAX LEVIES AT SPECIAL ELECTIONS**

Support legislation prohibiting taxing districts from submitting tax levies at special elections in August.

### **PAYMENT OF LODGING TAXES**

Support legislation to increase the penalties for failure to collect and remit the lodging tax to local taxing districts (counties, municipal corporations and townships) so that the penalties are similar to the penalties established by existing Ohio law for failure to collect and remit sales and use taxes.

# TAXATION AND FINANCE

## LODGING TAX AND CONVENTION AND VISITORS BUREAUS

Counties may levy a lodging tax of not more than 3% on transient guests who stay at places of lodging in the county. Existing law (ORC Section 5739.09 (A)) requires the county levying a lodging tax on lodging transactions, after paying the cost of administering the tax, to return an amount not to exceed 1/3 to the municipal corporation or township (that is not levying the same lodging tax) in which the place of lodging is located. At least 2/3 of the revenue remaining after the cost of administering the tax must be placed in a special fund to the benefit of the convention and visitor's bureau.

CCAO supports legislation that would revisit the relationship between convention and visitors' bureaus and taxing authorities with particular emphasis upon the purposes for which convention and visitors' bureaus may expend funds and the reporting requirements of bureaus to taxing authorities. CCAO also supports legislation that would allow the county to retain a greater percentage for the administration of the tax. The General Assembly should also consider raising the allowable tax rate that may be levied by the county.

## PUBLIC UTILITY PERSONAL PROPERTY TAXES

During 2005 to 2008, the state, under tax reform, phased out tangible personal property taxes on machinery, equipment and inventory paid by businesses operating in Ohio, but retained personal property taxes on the tangible personal property of public utilities, including electric, rural electric, natural gas, pipeline, water works water transportation, heating and telegraph companies. Given the importance of this remaining revenue source to counties and local governments, CCAO opposes elimination of or further reductions to personal property taxes paid by public utilities operating in Ohio.

When a utility taxpayer files an application for a reduction in the value of tangible personal property taxes with the tax commissioner, local taxing districts, including the county commissioners should be notified of the application and should have standing to appeal the decision of the tax commissioner.

## TAX INCREMENT FINANCING (TIF)

The law permits counties, municipalities and townships to establish TIFs that commence whenever one of the following occurs:

- The value of an improvement exceeds a specified amount.
- The construction of one or more improvements is completed.
- Regarding an incentive district TIF, the exemption may commence in different years on a parcel-by-parcel basis. This language has the practical effect of allowing TIFs to exist well beyond the 30-year time period originally authorized for a TIF. CCAO supports legislation that would limit TIFs to as close to 30 years as possible while grandfathering TIFs that have been authorized under the new law and are currently in place.

CCAO opposes efforts to expand the allowable uses of TIFs to include services and activities that are not directly related to the construction and maintenance of physical infrastructure. TIFs should be used as a tool to develop public infrastructure such as roads or utility lines that benefit the general public rather than a tool to offset private development costs of particular projects or developers. The primary purpose of the TIF should be to support industrial or commercial projects rather than residential development.

Current law allows commissioners to object to a municipal or township incentive district TIF if the duration exceeds ten years or the percentage exemption exceeds 75%. The law also includes a default compensation mechanism if the parties do not reach agreement. This default provision should be expanded to include parcel TIFs and allow commissioners to object and receive compensation for any TIF if the duration exceeds ten years or if value of the exemption exceeds 50%.

## VALUATION OF LOW INCOME HOUSING PROJECTS

In the case of *Woda Ivy Glen Ltd. Partnership vs. Fayette County Board of Revision* (2009), the Ohio Supreme Court ruled that new low income rental properties must be appraised using an income approach rather than a cost approach to



value. This decision has the practical effect of undervaluing the construction valuation of these properties, disregarding income to the owners of these properties who receive substantial tax credits, decreasing the tax base for taxing districts and shifting the tax burden to local residential and agricultural land owners.

CCAO supports an amendment to the property tax law that would permit the valuation of such properties based on construction value, not income. If income approach to valuation must be used, then the value of all income tax credits should be added to the income of the owners of such properties for valuation purposes.

### **SUNSET THE COUNTY RECORDERS TECHNOLOGY FUND**

The law permits any county recorder to request on an annual basis that additional county recordation dollars be allocated to the County Recorders Technology Fund for a period of five years. If requested by the county recorder, establishment of the fund and allocation of the recordation fees from the general fund to the Technology Fund is mandatory. CCAO supports letting this mandate expire at the end of 2023 when existing law makes the allocation of funds discretionary on the part of county commissioners.

### **LIBRARY AND HEALTH DISTRICT LEVIES**

CCAO supports giving a board of commissioners discretion regarding the submission, type (renewal, increase, reduction or replacement), millage, and duration of property tax levies submitted to the voters for the purpose of funding a health district, library, or any other taxing authority with unelected members. Existing law requires a board of commissioners to submit a levy to the voters whenever requested by a board of health or a library board.

# WATER QUALITY TASK FORCE

**Co-Chair: Pete Gerken, Lucas County Commissioner**

**Co-Chair: Douglas Spencer, Auglaize County Commissioner**

**Staff: Adam Schwiebert, Policy Analyst**

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One of Ohio's most valued treasures is its natural resources. Water, in particular, is especially plentiful across the state and serves as the backbone for agricultural, tourism, recreation and other industries. Clean water is a crucial component to a stronger economy and a more prosperous and enjoyable state.

Ohio faces a number of water quality challenges which threaten the economic vitality, ecological sustainability, and at times, quality of human health across our state. These challenges are seen in the annual Harmful Algal Blooms (HABs) in Lake Erie's Western Basin, algae development on the Ohio River, and in the outdated and dangerous lead pipes still in use in many communities. Ohio must address these challenges and others if the state wishes to prosper.

Ohio's water quality challenges are multifaceted with multiple contributing factors. Agricultural nutrient runoff, failing home sewage treatments systems, combined sewer overflows, disposed dredge material, industrial discharge and discharge from wastewater treatment facilities are all contributing to nutrient pollution affecting Lake Erie and other waterways in Ohio. Changing weather patterns featuring more frequent heavy rain events exacerbate the transmission of these nutrients to Ohio's waterways.

Efforts to reduce nutrient pollution in Lake Erie must be accounted for from non-point sources as well as point sources. Improving water quality is a complex challenge and progress should be viewed on a time horizon which recognizes that new practices may not yield immediate results.

The agricultural community has a prominent role to play in reducing non-point source nutrient loading into the Western Lake Erie Basin. Agricultural producers who utilize best management practices to reduce nutrient runoff should be recognized for their efforts to improve water quality. However, there must be a continued emphasis on those agricultural producers who do not utilize best management practices or make the protection of water quality a

priority on their operations. All agricultural producers, along with their industry partners, must make protecting water quality a priority if Lake Erie's health is to improve. Those who do not utilize voluntary best management practices should be open to regulation.

## **SUCCESSFUL NUTRIENT REDUCTION EFFORTS WILL REQUIRE BUY-IN AND PARTICIPATION FROM ALL AFFECTED STAKEHOLDERS, INCLUDING THOSE IN AGRICULTURE, PRIVATE INDUSTRY, CENTERS OF HIGHER EDUCATION, AND THE PUBLIC, ALONG WITH LOCAL, STATE AND FEDERAL GOVERNMENTS.**

Ohio should lead the way to accomplish the recommendations of the Western Basin of Lake Erie Collaborative Agreement that recommended a 40% total load reduction in the amount of total and dissolved reactive phosphorus by 2025. While this remains an ambitious target, the Water Quality Task Force remains fully committed to this effort. Ohio and its neighboring states as well as Canada simply cannot afford to fail. It will require sustained participation, investment and timely actions by many, utilizing all available technologies, in order to fulfill this critical objective.

## **COMMITTEE PRIORITIES**

### **H2OHIO AND WATER QUALITY IMPROVEMENT FUNDING**

One of the most promising state developments for water quality improvements was the establishment of the H2Ohio Fund in the state biennial budget bill. The two-year \$172 million H2Ohio Fund was established to fund water quality improvements

across the state, with an emphasis on agricultural practices, wetlands creation and restoration, and home septic and lead pipe upgrades.

The H2Ohio Fund's early initiatives have shown a broad interest from agricultural producers. Particularly in the Maumee River Watershed, over 2,000 agricultural producers have applied for H2Ohio funds for nutrient best management practices to be utilized on nearly 1.2 million acres of farmland. The Ohio Department of Natural Resources (ODNR) has 26 wetland projects in contract and the Ohio Environmental Protection Agency (OEPA) has awarded over \$4 million for seven critical water infrastructure projects.

However, the future of the H2Ohio Fund remains uncertain. State budgetary challenges have limited some portions of the fund's scope and questions remain about the long-term sustainability of the program. CCAO encourages state lawmakers to find creative ways to provide the necessary resources to sustain these vital efforts. Addressing Ohio's water quality challenges requires a sustained state commitment.

## ADDRESSING OHIO'S WATER QUALITY CHALLENGES REQUIRES A SUSTAINED STATE COMMITMENT.

Additionally, there should be an emphasis on measuring the results of H2Ohio and other programs in key areas of the state and using that data to drive future water quality improvement actions. The Platter Creek, Little Flat Rock Creek, Little Auglaize River, Eagle Creek, Auglaize River, Blanchard River, St. Marys River and Ottawa River are all watersheds in Northwest Ohio that have experienced elevated nutrient levels which feed into Lake Erie's Western Basin. Results from these watersheds and others should be used to shape and drive future water quality improvement efforts.

### SOIL AND WATER CONSERVATION DISTRICTS FUNDING

County soil and water conservation districts (SWCDs) play a critical role in improving water quality across the state. The expertise that county SWCDs provide

is essential to improving water quality. The financial costs of the tools, technology, infrastructure and manpower needed to improve water quality across Ohio, however, cannot be borne by counties alone.

H.B. 166 of the 133rd General Assembly made a meaningful and appreciated \$5 million investment increase into local SWCDs. These investments must be sustained for the crucial work of SWCDs to continue. State budgetary challenges threaten the 1:1 state-local funding match. Furthermore, this investment should be protected to ensure that all portions of the state have the necessary SWCD resources available to address the unique challenges of their counties.

CCAO has additional positions relative to SWCDs that can be found under the **Agriculture and Rural Affairs** section of this document.

### LAKE ERIE IMPAIRMENT & TOTAL MAXIMUM DAILY LOAD

In March 2018, OEPA designated the open waters of the Western Lake Erie Basin to be impaired. Typically, designating a body of water as impaired triggers a review of pollution sources, the establishment of Total Maximum Daily Loads (TMDLs) for pollutants, and a plan of action for meeting those TMDLs. However, OEPA did not begin the TMDL development process until February 2020. It is anticipated that the TMDL for the open waters of Lake Erie's Western Basin will take several years to develop.

CCAO recommends OEPA complete the TMDL process within a two-year timeframe and provide quarterly public updates throughout the TMDL development process to keep local officials informed about the latest developments. When local officials, agricultural producers and others know what to expect from a TMDL, they can better prepare for its implementation.

CCAO asks that as the state develops its TMDL for the Western Basin, it take into consideration the complexity and potential expense of enforcement actions. Distinctions should be made between actors who are making good-faith efforts to reduce nutrient loss and those who do not make water quality a priority. A TMDL could have significant impact on agricultural producers, landowners, businesses and

# WATER QUALITY TASK FORCE

local governments. The goal of a clean Lake Erie is a worthy endeavor; pursuing that goal requires a balanced approach. Improved water quality and vibrant industries do not have to be mutually exclusive goals.

## WATER INFRASTRUCTURE BONDING AND FUNDING

As owners of regulated and permitted publicly owned treatment works (POTW), counties and county sanitary engineers have been working with the U.S. Environmental Protection Agency (USEPA) and OEPA on nutrient loading issues for many years through the permitting process. New regulations, policies, aging facilities/infrastructure and technical advances directly contribute to the management process of facilities, as well as the cost allocation assessed to rate payers.

CCAO supports efforts to allocate additional public works bonding capacity for water and sewer projects. Water and sewer infrastructure projects pose significant costs challenges for local governments, and state assistance is needed to make many of these critical infrastructure upgrades a reality.

There are several sources of low interest loans available today for water and sewer projects. Many local projects need more grant sources to become successful, or to even get started. Ultimately, project costs far exceed the financial capability of counties, local governments, and ratepayers. The state must find ways to address the ability of counties, local governments and residents to afford necessary water and sewer projects. Counties ask the state to reestablish the Ohio water and sewer rotary commission and provide significantly greater funding support for governments and citizens confronted with OEPA findings and orders to install or upgrade water and sewer systems.

H.B. 264 of the 133rd General Assembly allowed the Ohio Water Development Authority to refinance existing water and sewer project loans to save taxpayer funds and enable future projects. CCAO urges that similar refinancing authority should be provided to USDA Rural Development water and sewer loans and other applicable state and federal programs.

Additionally, consideration should be given to bond-funded improvements as a vehicle for clean water improvement efforts. Senate Joint Resolution 1 of the 133rd General Assembly would establish a \$1 billion bond fund to fund a wide variety of water quality initiatives. Should state general revenue funding prove limited for H2Ohio and other water quality efforts, bond funding may be a workable alternative to ensure these programs move forward.

CCAO has additional positions relative to infrastructure funding that can be found under the **Jobs, Economic Development and Infrastructure** section and the **Taxation and Finance** section of this document.

## RESEARCH AND RESEARCH FUNDING

More research is needed from the scientific community, with consideration of adverse climate impacts to water quality in Lake Erie and the rest of Ohio. This research should be conducted by land grant universities and other institutes of higher education from Ohio, Indiana and Michigan. Specific research should be done on heavy rain events and the causes of increased phosphorus solubility.

Research should also not be limited to phosphorus alone. The role that excess nitrogen plays in algal bloom development, specifically bloom toxicity, is less studied and deserves additional study.

CCAO supports more state funding for Ohio's research centers to study water quality issues. Heidelberg University's National Center of Water Quality Research, University of Toledo's Lake Erie Center and Ohio's Sea Grant program (including Ohio State University's Stone Lab) are on the forefront of water quality research and education aimed at maintaining the health of Lake Erie. CCAO also strongly encourages Ohio's land grant universities to work collaboratively on water quality research endeavors. By combining their expertise and technologies, Ohio's land grant universities can maximize their impact on water quality and other challenges.

## NUTRIENT MANAGEMENT

CCAO is encouraged by efforts of the agriculture community to implement new best management practices such as incorporating the 4 R's – the



right fertilizer, the right rate, at the right time, in the right place. Cover crops, manure management and effective drainage are also important. More farmers are utilizing soil testing data for precision fertilizer application than ever before, but even more farmers need to utilize this critical tool.

CCAO is supportive of efforts to assist farmers in accessing the necessary tools, technology and best management practices to reduce excess nutrient loading. H2Ohio and other efforts have provided funds that increase access to soil testing, variable rate technology, subsurface placement of nutrients and other proven best management practices.

CCAO encourages the Ohio Department of Agriculture to consider the role of non-permitted livestock operations in manure management best practices. Manure management is an important component for water quality improvement, and all producers, regardless of size, should do their part to responsibly manage manure resources. CCAO is supportive of providing the Department the necessary funds to complete these monitoring activities.

OSU Extension has trained over 17,000 certified fertilizer applicators. Now over 12.8 million acres in Ohio are maintained by certified applicators. As better management practices are identified, they must be accompanied by education that gives the producers the knowledge and tools to implement them. New, better management practices should be coordinated with quality and timely research to measure their effectiveness.

### **DREDGING**

Dredging Ohio's shipping channels is an important practice to keep Ohio's ports open for commercial shipping. The disposal of dredged material into Lake Erie's open waters further increases phosphorus loading into the lake. S.B. 1 of the 131st General Assembly ended the practice of open lake disposal of dredged material in 2020. S.B. 299 of the 132nd General Assembly further provides \$10 million in capital funding for projects that repurpose this dredged material to avoid open lake disposal.

### **WATER QUALITY CREDIT TRADING PROGRAMS**

Credit trading is the concept of investing dollars from

POTWs to pay farmers to implement conservation farming practices to reduce nutrients from entering waterways. Wastewater treatment facilities will then receive credits from regulatory agencies to help meet permit criteria. Trading programs are more cost-effective and provide broader environmental benefits than just technical upgrades at wastewater treatment facilities.

CCAO would welcome additional state support and funding to encourage more credit trading programs, similar to the state match program for soil and water conservation districts.

### **PUBLIC-PRIVATE GREEN INFRASTRUCTURE PROJECTS**

The public and private sectors have a mutual role to play in improving water quality across the state, and cooperation between the two can unlock previously unavailable resources. Private industry and local governments own considerable infrastructure which can be utilized to further a wide array of water quality improvement efforts.

These types of collaborations would encourage local governments to partner with institutions of higher education. As with credit trading programs, green infrastructure projects should also be coordinated with quality and timely research to measure the effectiveness of these programs.

CCAO also recommends that OEPA should include more "green" infrastructure requirements for municipal separate storm water systems in Ohio.

## **COMMITTEE RECOMMENDATIONS**

### **PHOSPHORUS LIMITS FOR PUBLICLY OWNED TREATMENT WORKS**

OEPA should be consistent and establish by rule phosphorus effluent limit for all publicly owned treatment works (POTWs) in Ohio.

- CCAO is encouraged that OEPA made available \$50 million in interest-free loans in 2018 to help public water systems keep drinking water safe, improve their facilities and reduce the amount of phosphorus they discharge into the Lake Erie watershed.

## **WATER QUALITY TASK FORCE**

- We recommend that OEPA also offer additional loan forgiveness (grants) to go along with these loans.

### **SEPTIC SYSTEMS**

OEPA should use its enforcement authority under ORC Chapter 6111 against property owners whose home sewage treatment systems (HSTS) lack an NPDES permit and are designed to discharge off lot.

Local boards of health in Ohio should use their enforcement authority against homeowners with failing HSTS that are significantly contributing to phosphorus pollution.

The Ohio Department of Health should consider imposing more stringent standards when permitting the installation, alteration or operation of HSTS in order to minimize phosphorus pollution. State investment to assist residents in offsetting the costs of these expensive projects would greatly aid in these efforts. The OEPA has previously made a limited amount of assistance available in the past, and such practice should be expanded upon going forward.

### **FERTILIZER APPLICATOR PROGRAM AND NEW AGRICULTURAL REGULATIONS**

With the passage of S.B. 150 (130th General Assembly) which established the fertilizer applicator certification program, and S.B. 1 (131st General Assembly) which prohibits applying fertilizer and manure on frozen or saturated ground, the Ohio Department of Agriculture (ODA) needs to measure constantly to ensure these regulations and programs are effective.



**STRONGER COUNTIES. STRONGER OHIO.**



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