



LEGISLATIVE PLATFORM

CCAO

2025-2026

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STRONGER COUNTIES. STRONGER OHIO.

INTRODUCTION: LEGISLATIVE PRIORITIES

Counties provide a wide array of essential services that impact Ohioans' quality of life. These services include law enforcement and the administration of justice, road and bridge construction, human services, economic and workforce development, land use planning, and property tax administration, just to name a few. Through the management of these services, counties serve as branch offices of the state government. In order for the state to succeed, it is essential counties have the necessary resources and flexibility to carry out their mission without unnecessary and burdensome mandates from the state.

Fortunately, recent General Assemblies and the DeWine-Husted Administration have greatly strengthened the state-county partnership. The state has increased funding for indigent defense reimbursement, including reaching 100% reimbursement in FY 2022, and reinstated state financial support for county jail construction. State support also has been greatly increased for water and sewer projects, brownfield redevelopment and demolition, law enforcement, and for transformative projects in Appalachian counties.

Every two years, CCAO members work intensively in the Association's policy committees on key issue areas to review the challenges and opportunities counties face, and to develop a set of priorities and recommendations for the incoming General Assembly. The work of these committees, which is approved by the full membership at the CCAO Winter Conference, is reflected in this document.

As Ohio and the nation begin to emerge from a high-inflationary environment and continue to struggle with workforce shortages, counties find themselves battling some familiar challenges, along with new issues that have emerged over the last several years. It is vital the state-county partnership stays strong and resilient to meet these challenges. CCAO has identified the following issues where counties need state support:

Public Safety & Criminal Justice

Public safety is a core function of county government, and this function typically accounts for 60 – 70% of a county's general fund budget. Two notable facets of public safety services that are prime areas of partnership with the state are indigent defense and county jails.

INDIGENT DEFENSE

Providing criminal defendants counsel, as is their Sixth Amendment right, has fallen on counties despite it being a state responsibility. The cost of providing these services has increased as cases have become more complex and frequently involve more than one defendant. While the state has provided more funding for county reimbursement in recent years, the complexity of the system and a general shortage of attorneys practicing in rural areas of the state has caused the total system cost to increase faster than the state can provide reimbursement.

The state should fully fund indigent defense while creating a pilot program allowing counties to opt-in to a state-administered program.

COUNTY JAILS

Many jail facilities are outdated and are past their useful lives. At the same time, counties are experiencing substantial increases in construction costs, which are likely to continue for the foreseeable future. On the operational side, jails now serve as the de facto mental health and addiction treatment centers in their counties.

Jails across Ohio are experiencing a substantial increase in these populations, and the aging jail facilities are ill equipped to detox and treat this challenging population. The lack of treatment space or programming for this population presents a danger for both inmates and staff in jail facilities. CCAO requests that the state continue and expand support for jail construction and renovation, while addressing some of the high cost operational needs for medical, mental health, and addiction services.

Strengthening Ohio's Workforce and Economy

WORKFORCE DEVELOPMENT

Chronic workforce shortages are continuing to hold Ohio's economy back. Counties are responsible for implementing workforce programs that help residents attain meaningful employment and gain skills businesses value. If these local programs are to succeed, they must maintain the funding and flexibility to reflect and address local employers' needs. The state should partner with counties and employers to find innovative ways to address workforce challenges.

INFRASTRUCTURE

A strong economy will also require continued investment in infrastructure. Counties are responsible for thousands of miles of roads and bridges, and many counties operate drinking water or sewer systems. Counties recognize the continued need for investment in broadband expansion projects across the state, as well as additional support for the BroadbandOhio office to help coordinate expansion projects with counties.

CCAO requests the state maintain its strong support for county infrastructure needs in the FY 2026-2027 biennium.

HOUSING

The increasing cost and limited supply of housing presents significant challenges to those looking to relocate in Ohio and is an increasing challenge for workforce development. CCAO supports the state providing more funding to land banks to redevelop vacant residential properties or to convert former commercial buildings to residential use and to amend the Ohio Housing Finance Authority to allow more developers to participate in its projects.

Supporting Ohio Families

CHILD WELFARE

Ohio's child welfare system is in a placement crisis. More than ever before, children are entering care primarily due to behavioral health needs, developmental disability needs, and as a diversion from juvenile corrections rather than abuse or neglect. These children have higher acuity needs, which makes placement both more difficult and more costly. The Department of Children and Youth should continue to work with stakeholders to stabilize placement costs and bring transparency and consistency to rates across the state.

CHILD CARE & BENEFITS CLIFF

Access to affordable and high-quality child care is a critical issue for families and for the state's workforce. CCAO strongly supports the state increasing income eligibility for publicly-funded child care to 200% of the federal poverty level and increasing the capacity of the child care system. The state should also review other benefit programs to address the "Benefits Cliff" issue that forces Ohio families to choose between increased income from a career opportunity and a devastating loss of a work support program.

Fiscal Stability

SALES TAX BASE

The sales tax is the largest single source of revenue for the county general fund and for the state General

Revenue Fund. To keep the tax rate to a minimum, the state should avoid further carve-outs and exemptions that unnecessarily reduce the base to which the tax is applied.

SMALL HOTELS SALES TAX

The Revised Code defines a “hotel” for the purposes of sales taxation as an establishment in which there are five or more rooms used for the accommodation of guests. This essentially exempts small hotels and bed and breakfasts from the sales tax. While a board of county commissioners can adopt a resolution to extend an existing lodging tax to those establishments, they have no such authority regarding the sales tax. As short- and long-term homestay companies such as Airbnb and Verbo continue to expand, counties are missing sales tax receipts they otherwise would receive. The state should remove the small hotel sales tax exemption.

County Government Reform

It is becoming harder to find qualified individuals who wish to run for the office of county coroner, and only a few counties in the state still perform autopsies. 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 and to explore the recodification of the office of county coroner as a non-elected county official.

CCAO POLICY TEAM



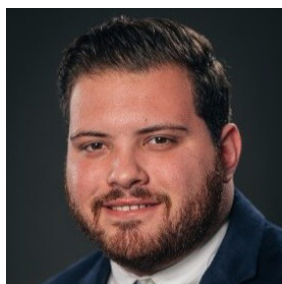
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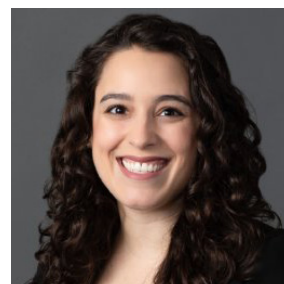
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AGRICULTURE AND RURAL AFFAIRS

Chair: Jon Hofstetter, Wayne County Commissioner

Vice Chair: Tony Anderson, Fayette County Commissioner

Staff: James Kennedy, Policy Analyst

Agriculture is Ohio's #1 industry, contributing more than \$100 billion annually to the state's economy and employing one in seven Ohioans. CCAO recognizes that agriculture is the backbone to many counties. Ohio agriculture has great potential for future growth, but it also faces challenges, such as improving water quality. A vibrant and sustainable agriculture industry requires investment in key programs both at the state and county level.

Ohio's rural counties face exciting opportunities but also hurdles to future success. As the producer of agricultural products exported throughout the world, Ohio's rural communities have much to offer. However, key challenges such as lack of access to high-speed internet service are a threat to rural vitality. This section outlines CCAO's policy recommendations to support Ohio's agriculture industry and rural counties.

COMMITTEE RECOMMENDATIONS

Water Quality

Water quality has become one of Ohio's biggest challenges. The harmful algal blooms frequently seen in Lake Erie's Western Basin are fueled by excess nutrients contributed by numerous sources: wastewater treatment plants, combined sewer overflows and bypasses, industrial discharges, failing home sewage treatment systems, dredged material, and agricultural runoff. These blooms pose risks to public health and negatively impact many lake-based businesses and communities.

As a key contributor of excess nutrients, agriculture has a critical role to play in improving water quality. The agriculture industry has promoted best management practices regarding the placement of nutrients such as the 4 R's – the right fertilizer, the right rate, at the right time, in the right place. Other practices such as cover crops, manure management, and soil testing are also important tools promoted by the agriculture industry to prevent nutrient loss.

CCAO applauds those producers who utilize nutrient best management practices and make

water quality a priority on their operations. The Ohio Agriculture Conservation Initiative, which brings together both environmental and agricultural interests, seeks to recognize those producers who demonstrate a commitment to continuous improvement in the responsible placement of nutrients. These initiatives and their participating members are examples of environmental stewardship in action.

Simultaneously, there remain producers who do not prioritize water quality. Some of these producers operate small and medium-sized livestock operations that do not fall under the state's regulatory purview. There should be a greater emphasis placed on those who do not promote water quality, regardless of operating size, and funding should be provided to the Ohio Department of Agriculture (ODA) for these purposes. CCAO believes that any extra funding ODA may receive should be used to hire the appropriate personnel for additional ODA Concentrated Animal Feeding Operations (CAFO) inspectors. CCAO maintains that all producers, large or small, must do their part in addressing the state's water quality challenges.

Funding for Water Quality Improvements, Education, and Research

CCAO supports the H2Ohio program and its continued support from the General Assembly. ODA received \$121 million in H2Ohio funding from the FY 2024-2025 Operating Budget. The funding from this program is being invested in farmers who utilize nutrient best management practices, wetland construction projects, and local water and sewer infrastructure to improve water quality across the state. Many farmers have utilized these funds to obtain modernized equipment and technology to more effectively place nutrients while minimizing runoff. Many of these investments will take time to demonstrate results, and a long-term perspective is necessary to judge program effectiveness.

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

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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, primary and secondary 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.

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. Additionally, the impact of more frequent heavy rain events should be closely monitored, as these storms wash significant nutrients from farm fields and pose challenges for wastewater treatments plants.

Soil and Water Conservation Districts

A key local partner in improving water quality and natural resource conservation are Ohio's county soil and water conservation districts (SWCDs). CCAO supports a state funding match to incentivize investment in SWCDs. CCAO would like to see a 110% match from the state for funding to SWCDs.

In past years, the state match rate for SWCDs fell to as low as 71 cents for every local dollar invested. During the DeWine-Husted Administration, this funding has increased to a match rate of approximately 91% of state to local funding. It is critical that the state maintain this investment and ensure that all counties across the state 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 and are locally led by a board of five publicly elected county residents to address local priorities.

SWCDs:

- Work closely with Ohio's agriculture industry through recommending, designing, and supervising implementation of best management practices and through written nutrient management plans to reduce nutrient impacts

suspected to contribute to hazardous algal blooms.

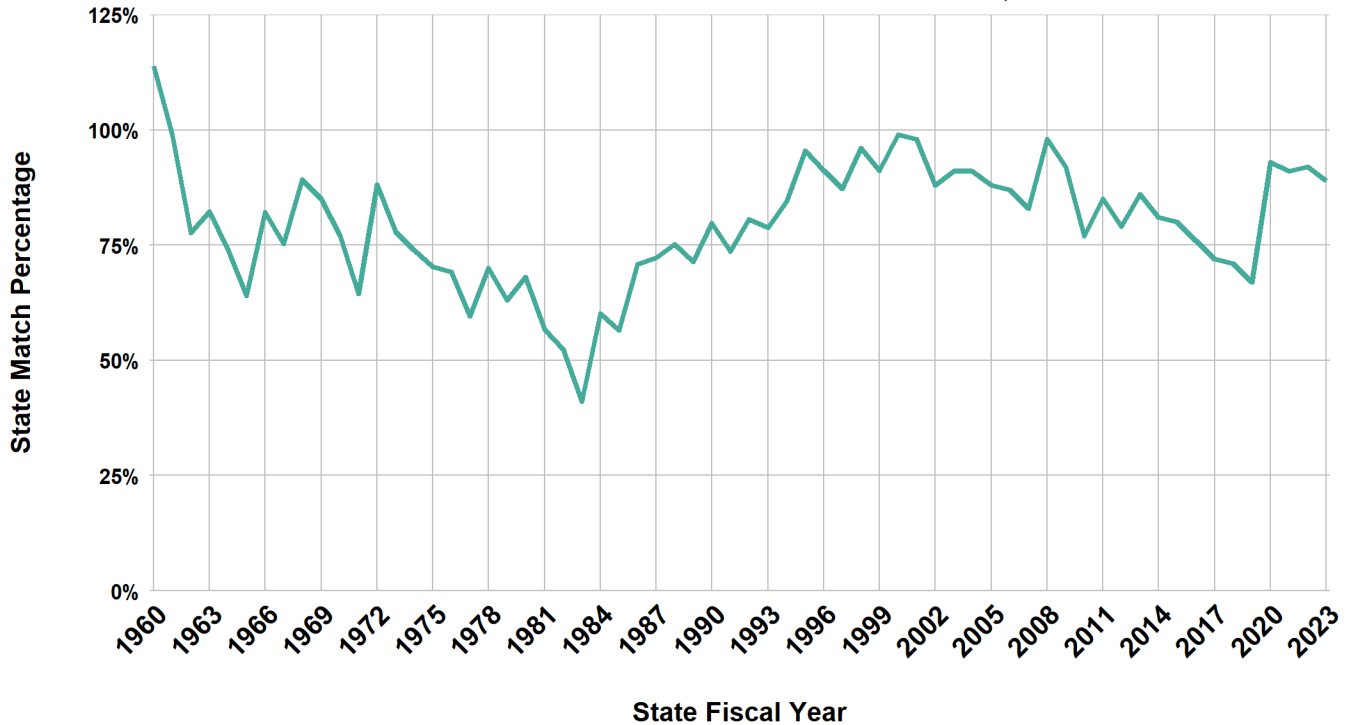
- Leverage federal funding from the US Department of Agriculture (USDA) and other sources for local projects. Historically, SWCDs have been able to pass more funds to county landowners than was appropriated by the county commissioners due to their ability to get federal funds.
- Assist with storm water management and flood prevention through urban programs as well as ditch maintenance and stream obstruction removal projects. SWCDs help county commissioners resolve drainage issues experienced by residents.
- Install best management practices through nutrient credit trading programs, which helps reduce the cost of a treatment plant or point source upgrades by implementing less costly non-point source conservation practices in the watershed.
- Encourage the wise use or conservation of natural resources so they can be used by current and future generations.

Additionally, CCAO believes any enforcement of agricultural regulations should be done by ODA or the Ohio Environmental Protection Agency (OEPA), while SWCDs main functions should be maintained as an advisory role. CCAO recognizes that there may be shortfalls in oversight regarding agricultural regulations, and CCAO believes that any extra funding ODA may receive should also be used to hire the appropriate personnel for additional CAFO inspectors. It is critical that the trust and relationships SWCDs have with local farmers be maintained.

Rural Broadband and Communications Infrastructure

One of rural Ohio's most pressing challenges is access to reliable and affordable broadband service. Estimates indicate that at least 95,000 Ohio households lack access to broadband internet service and are not under an existing federal or state. Broadband internet is one of the great social equalizers of our time. It provides access to countless economic, educational, health, and social resources. If rural Ohio is to thrive, access to broadband must expand.

Soil and Water Conservation District Match, SFY 1960-2023



CCAO is requesting the state increase its match to soil and water conservation districts (SWCDs) to above 100% for the first time since 1961.

SWCDs are a crucial partner in protecting Ohio's natural resources. Funded through a combination of local funds and a state match, without robust state support, SWCDs are limited in their ability to carry out important duties such as assisting with storm water management and working with the agriculture industry on best practices.

Ohio has taken steps in recent years to begin to address this challenge. The establishment of the state broadband office, BroadbandOhio, has created a centralized resource for state agencies, internet service providers and local governments.

Additionally, BroadbandOhio awarded more than \$232 million to 11 service providers for the first round of awards from the Ohio Residential Broadband Expansion Grant Program (ORBEG), and \$94.5 million to two service providers as part of the second round of ORBEG funding. The first round of funding is expected to extend service to 43,000 households. The second round of funding will provide high-speed internet access to more than 35,000 households across 23 counties. This is a good first step and CCAO will continue to monitor the progress of these expansion projects. Additional funding will be necessary going forward to continue to expand service to unserved and underserved Ohioans.

Counties look to play a role in expanding broadband service to county residents. There are numerous sources of funding available at the federal, state, and local levels to fund expansion projects. Counties need

assistance from the state to navigate these various programs as well as to provide guidance as to how the programs can function together so counties can most effectively expand service to residents.

Many counties lack the technical expertise required to navigate the numerous broadband programs and funding streams. CCAO supports efforts to consolidate and simplify the existing broadband programs and promote centralization. The state should also expand assistance to counties for the purpose of creating and implementing broadband expansion projects. Furthermore, the state should coordinate with counties on expansion projects to avoid duplication and to make best use of available funds. Finally, mapping of existing broadband service needs to be improved in order to facilitate local expansion projects.

With such a significant need for broadband service, all types of broadband providers should be able to serve Ohioans. CCAO opposes efforts to limit or prohibit community broadband networks.

As part of the most recent operating budget, the state allocated \$50 million to reimburse certain

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internet service providers for the cost of necessary pole replacements and undergrounding project costs. Nearly \$738,000 has been released to three internet service providers, serving close to 14,500 locations within 12 counties. CCAO supports the funding as we believe quality internet is a necessity for individuals to operate within the work force.

CCAO would also like to mention that the state of Ohio has received \$793 million in federal Broadband, Equity and Deployment (BEAD) funds in June 2023. The funding provided by the federal government will be used to fund planning, infrastructure, deployment, and adoption programs throughout the state. This funding should assist BroadbandOhio's mission of having 100% access to broadband throughout the state.

Throughout 2024, BroadbandOhio coordinated the "Challenge Process" phase, where eligible entities can submit data or make challenges to the Federal Communications Commission's National Broadband Map. The goal of the challenge process is to identify gaps in coverage in the national broadband map. Once the National Telecommunications and Information Administration (NTIA) reviews all of the submitted information, the final Ohio map will be used for the ORBEG-BEAD Grant program. CCAO supports this process and both programs as they are necessary to provide 100% broadband access throughout the state.

Counties also look to secure more reliable cell phone service across all portions of the state. Counties 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. Shareability of tower space between different platforms, where possible, is critical to the efficient deployment of multiple technologies, including

emergency communications and broadband. Existing tower assets should be utilized to the maximum extent possible for these purposes.

Rural Road Funding

While CCAO supports the expansion and development of agribusinesses as well as all industries, including new energy infrastructure development, counties need more 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 county road projects. The 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 accounts to provide for rural road and bridge repair.

CCAO opposes to reductions or temporary suspensions of the state gas tax, which would diminish funding for Ohio's rural roadways.

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. It is also important to maintain access to key processing facilities in urban areas that are utilized by the agriculture industry.

A VIBRANT AND SUSTAINABLE AGRICULTURE INDUSTRY REQUIRES INVESTMENT IN KEY PROGRAMS BOTH AT THE STATE AND COUNTY LEVEL.

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The Wayne County Commissioners visited the Ohio State University's College of Food, Agricultural, and Environmental Sciences campus in Wooster in 2024. The College's two-year degree program, the Agricultural Technical Institute, is key to Ohio's competitive advantage in the agriculture industry.

Drainage

The petition drainage process is a critical tool available to counties to manage excess water for 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 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 adequate depth and repair preexisting drainage systems can greatly reduce soil productivity or 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 ODA. These standards ensure that farmland affected by pipeline construction will

be returned to its previous productive state once construction has been concluded.

As solar development continues to expand across the state, the future decommissioning of solar facilities is an issue of increasing importance for counties. SB 52 of the 134th General Assembly required that a decommissioning performance bond be posted prior to construction of solar developments with a generation capacity greater than 50 megawatts and that it be updated every five years to ensure land is returned to its original state. Ensuring that these bonds are sufficient to fund all decommissioning activities is critical, and CCAO supports increasing these amounts if needed.

Current Agricultural Use Valuation (CAUV)

Current Agricultural Use Valuation (CAUV) is an important program that allows Ohio farmland to be valued for property tax purposes at its agricultural use. This provides significant savings for most property owners and allows land to stay in agricultural production.

The General Assembly undertook a significant rewrite of the CAUV formula in 2017, and the changes were fully implemented in tax year 2022. The result of these reforms has been appreciable declines in CAUV values.

The fiscal impact of the reworked CAUV formula should be monitored as the full new formula operates in its first years. The recent declines have helped bring property tax relief to farmers who experienced historic CAUV value increases in prior years, but CCAO also recognizes that property taxes are important sources of revenue that provide for many county services.

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.

Funding for OSU Extension

OSU Extension will receive \$26.3 million in FY 2025 and, if the current model persists, it would receive a 3% increase in both FY 2026 and FY 2027 through 136th General Assembly's operating budget. CCAO supports an increase in funding of state and federal support for OSU Extension, provided that an appropriate share of new funds be used to relieve county general fund

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contributions. Maintaining an OSU Extension educator in each county and building capacity in priority program areas should be the main focus of any new funding.

OSU Extension builds better lives and stronger communities through partnerships and sharing knowledge; supports Ohio's #1 industry; 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 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.

The critical partnership between counties and OSU Extension requires flexibility and openness to constructive input from commissioners. The needs and expectations of counties regarding OSU Extension vary considerably from county to county. It is important that Extension's administration recognize these variations and provide flexibility so that Extension practices can more closely mirror that of host counties.

Funding for OSU's College of Agriculture

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

Agriculture is a \$100-billion-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 a leading producer of two-year degrees in food and agriculture in the country. 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 for OARDC

The Ohio Agricultural Research and Development Center (OARDC) will receive \$38.3 million in FY 2025, and, if the current model persists, it would receive a 3% increase in both FY 2026 and FY 2027 through 136th General Assembly's operating budget. CCAO supports a continuation of state funding for OARDC to continue the growth and development of Ohio's agricultural industry, along with stewardship of the environment.

OARDC is the research arm of CFAES and is a leader in AgBiosciences, a field 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.

Ohio's investment in OARDC leverages money from grants and contracts from both the public and private sectors and has historically generated a 5:1 return on investment.

OARDC has a history spanning more than 140 years of providing comprehensive research and development programs to Ohioans in the AgBiosciences. This history has been critical to the growth and competitiveness of the state's 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.

Farmland Preservation

CCAO supports fair and equitable policies to encourage the preservation of economically viable agricultural

AGRICULTURE AND RURAL AFFAIRS

land and protect it from urban encroachment and conflicting land uses. Farmland preservation should be encouraged as a means to maintain a thriving agricultural industry in Ohio 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.

State programs should include technical assistance and funding to assist in local administration, monitoring, and enforcement. 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, provides funding for the purchase of agricultural easements to compensate farmers for agreeing to keep agricultural land in farm production permanently. 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.

Agricultural Security Areas (ASA) are another farmland preservation tool. 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 protects 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 qualify for an ASA.

A review of Ohio's existing farmland preservation programs is needed as agricultural acreage comes under significant development pressures. The rise

of solar energy development, in addition to other forms of development, is placing unprecedented pressures on Ohio farmland. In turn, this creates significant barriers to entry for beginning farmers. Traditional agricultural preservation programs such as easement purchases and ASA, while appreciated, may no longer be sufficient tools to protect agricultural land in many areas. In particular, the relatively low fine amount of \$500 for development within

an ASA should be revised upward. The state should consider further protections for agricultural land in communities which seek to ensure its preservation.

When discussing farmland preservation, we also recognize that having strong urban centers where people want to work and raise a family is 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.

Food Access

Ohio agriculture has a key role to play in reducing food scarcity, particularly in "food deserts" where access to grocery stores in urban areas is limited. Urban agriculture and locally-grown initiatives are a means to supplement food supplies by producing food in non-traditional agricultural settings. These are important tools to improving nutrition across the state.

CCAO has additional information on access to healthy food in the **Metropolitan and Regional Affairs** section of the platform.

A REVIEW OF FARMLAND PRESERVATION PROGRAMS IS NEEDED AS AGRICULTURAL ACREAGE COMES UNDER SIGNIFICANT PRESSURES FROM SOLAR DEVELOPMENT AND OTHER ECONOMIC DEVELOPMENT PROJECTS.

GENERAL GOVERNMENT AND OPERATIONS

Chair: John O’Grady, Franklin County Commissioner

Vice Chair: Bill Pursel, Knox County Commissioner

Staff: Rachel Reedy, Outreach & Member Engagement Manager

COMMITTEE PRIORITIES

Unfunded Mandates

In recent years, counties have received increased support from our state partners. However, counties continue to experience the compounding effects of inflation and a tightening labor market. While sales tax revenues are temporarily strong, we have witnessed the gradual erosion of the sales tax base, which is the main source of revenue for counties. These factors, among others, create a challenging environment to deliver services and implement state programs in a variety of areas.

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. In *Gideon v. Wainwright* (1963), the US Supreme Court held that the fundamental right to counsel is made obligatory upon the states by the Fourteenth Amendment.

The state has made significant progress during the two previous biennia to increase the state funding for indigent defense. This was accomplished by allocating approximately \$386 million dollars to reimburse counties for indigent defense costs for FY 2024 and FY 2025. This resulted in a reimbursement rate of 85% in FY 2024 and a projected reimbursement rate of 78% in FY 2025. Previous appropriations resulted in a reimbursement rate of 100% for FY 2022, which was unprecedented in Ohio. Counties continue to experience a significant attorney workforce shortage in the area of indigent defense. According to a study by the Ohio State Bar Association, the top six most populous counties contain 72% of the state’s active attorneys while representing 42% of the state’s



The Licking County Commissioners observed National County Government Month in April 2024. The month celebrates counties and all they do for their residents.

population. As a result, it is becoming increasingly hard to find attorneys to perform indigent defense work and even harder to entice them to work in many of the rural counties across the state.

To counteract the shortage, many counties increased public defender salaries and appointed counsel rates. The fluctuation in cost to deliver the service from county to county has negatively impacted the state reimbursement rate to provide this constitutionally mandated service. The fluctuation in reimbursement rate makes it very difficult for counties to budget for this services. Therefore, it is clear that the state should fully fund the program and implement systemic changes to ensure this constitutionally mandated services can be effectively provided in all counties at a comparatively equal funding level.

To learn more about CCAO’s recommendations on indigent defense, see the **Justice and Public Safety** section of this document.

Conducting Elections

As new federal and state election requirements have been enacted, adequate federal or state funding has

GENERAL GOVERNMENT AND OPERATIONS

CCAO IS CONCERNED ABOUT THE COMPOUNDING FISCAL BURDEN OF STATE ELECTION LAW CHANGES AND URGES FULL FUNDING FOR ANY REQUIREMENTS PASSED ON TO COUNTIES.

not always 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 supports full state funding for election expenses and exploring options on state administration of elections.

Recently, lengthy legal disputes regarding congressional and state legislative redistricting led to an additional 2022 primary election. CCAO urges the General Assembly to avoid additional primary elections, which feature low turnout but still generate considerable expenses and manpower demands for counties. Any additional unscheduled elections must be fully funded by the state.

CCAO also supports the continuation of a state-county partnership for funding for replacement of electronic pollbooks, such as occurred through H.B. 673 of the 134th General Assembly. Existing electronic pollbook systems need replacing to comply with state directives. Electronic pollbooks are a vital tool for increasing election administration efficiency. The state previously partnered with counties in funding electronic pollbooks as part of H.B. 64 of the 131st General Assembly.

Children and Youth with Special Health Care Needs

The Ohio 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 Program for Children and Youth with Special Health Care Needs, formerly known as "Bureau for Children with Medical Handicaps." This state administered public health program should be funded by state revenue sources.

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 148 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 open to the facilitation of 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.

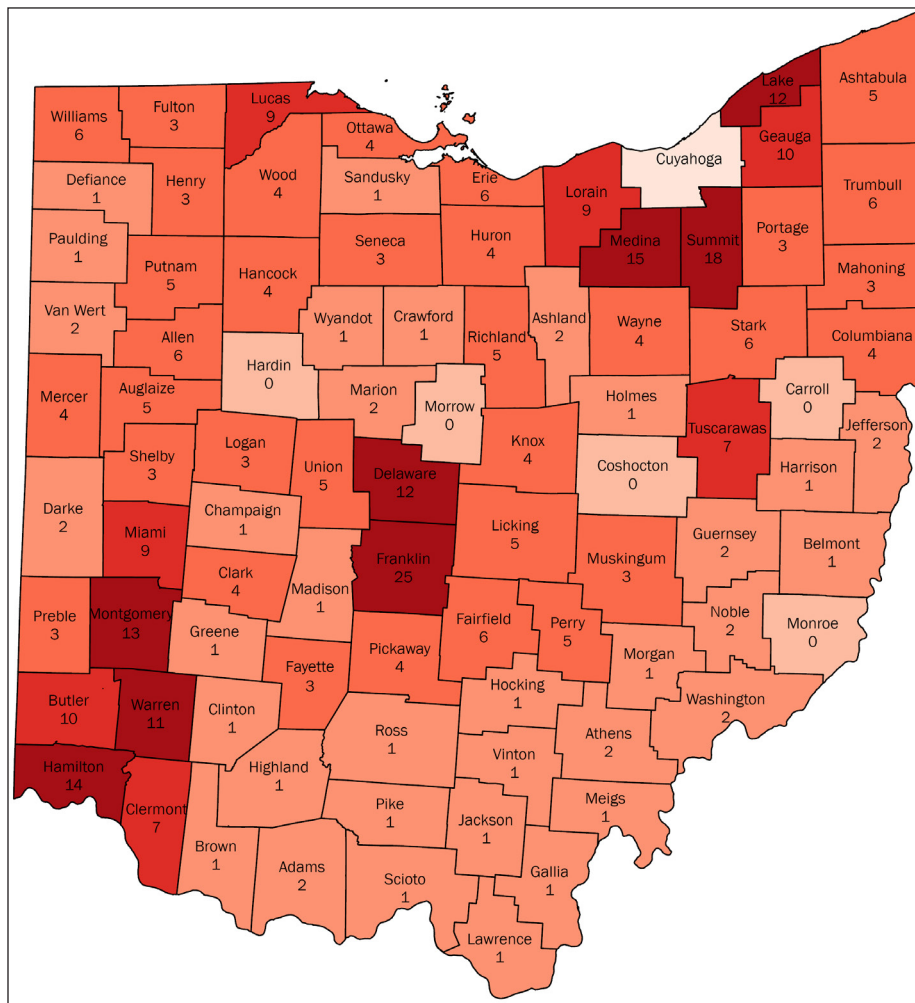
CCAO seeks specific authority to enable any board of county commissioners to share, combine or reorganize, in a larger district, the duties of the county coroner and to explore the recodification of the office of county coroner as a non-elected county official.

COMMITTEE RECOMMENDATIONS

Cybersecurity

As standards for cybersecurity evolve, it may be

GENERAL GOVERNMENT AND OPERATIONS



Ohio is the only state in the United States that requires a single officeholder to be a licensed engineer and a licensed surveyor. This requirement significantly limits the number of eligible candidates for the county engineer position.

According to January 2025 data, there are less than 475 Ohioans statewide qualified to hold the position, with the number varying county by county. The map shows the number of Ohioans eligible to hold the county engineer position, excluding the current elected officeholder.

Four counties currently have no available alternatives to the sitting county engineer, 23 counties have only a single alternative, and a total of 77 have less than ten alternatives. Cuyahoga County's charter does not include a county engineer as an elected position.

Data from the Ohio Board of Engineers and Surveyors.

necessary for counties to upgrade their protection at the local level. CCAO supports a partnership between the state and counties in building those barriers, including funding to assist with fast, effective upgrades.

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.

CCAO shares the General Assembly's goal of preventing identity theft that can occur from public records requests. 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.

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 far less than 1% of the county's population. In a democracy, this is 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. Removing this requirement would broaden the potential pool of county engineer candidates from less than 475 statewide to more than 12,000 statewide.

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 open to exploring expanded financing options to support restoration efforts.

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County Elected Official 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. However, 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. Due to the lack of financial reimbursement from the state to the animal owner and the presence of private insurance, the requirement for county dog wardens to investigate these incidents should be removed.

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 separate 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. CCAO supports a legislative solution to clarify existing law to allow for prosecution as a vicious dog on the first bite if the bite causes death or significant harm.

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. Alternatively, we would support requiring the pet store or breeder to provide a name, address, phone number, or other relative contact information for the dog purchaser to the county. This information would be used to contact the purchaser about dog registration.

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, as the executive authority, is required to approve such an appointment. CCAO supports amending the Revised Code to permit commissioners, as the executive authority for the county, to approve the appointment of humane agents, rather than a member of the judicial branch.

Humane Society Ability to Appoint Attorneys to Prosecute and Have Commissioners Pay Expenses

Ohio law still permits humane societies to appoint an attorney and permissively employ one or more assistant attorneys to prosecute misdemeanor violations listed in R.C. 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.

GENERAL GOVERNMENT AND OPERATIONS

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 R.C. 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 Recordings

Recordings 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. Recordings 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 recordings will then become subject to release.

Commissioners Sunshine Laws

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 comprised of elected officials 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. 257 of the 135th General Assembly allows public bodies to generally meet virtually if certain conditions are met, but excludes bodies of officials publicly elected for their service on said body. CCAO supports extending

this authority to all public bodies, including boards of county commissioners and county councils.

Record Retention Management

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

CCAO SUPPORTS A PARTNERSHIP BETWEEN THE STATE AND COUNTIES IN PROVIDING FUNDING FOR FAST, EFFECTIVE UPGRADES TO LOCAL CYBERSECURITY INFRASTRUCTURE.

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 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. The playing field should be leveled between employers and employees in this area. Furthermore, counties seek the ability to go to common pleas court

GENERAL GOVERNMENT AND OPERATIONS

as opposed to binding arbitration to resolve disputes around collective bargaining.

Employee Compensation

From time-to-time, certain county appointing authorities go against the norm in the courthouse to control spending and choose to provide larger 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. 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 over 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 Revised Code provides the maximum amount of sick leave that can be granted to an 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.

Pensions

CCAO asks that, if the Ohio Public Employees Retirement System (OPERS) seeks contribution changes, they evaluate employer and employee contribution increases. Any such employer contribution limit increases should be made in statute, consistent with state increases, and without OPERS board discretion to raise the statutory limit without legislative action.

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 Reedy, Outreach & Member Engagement Manager

County human service agencies – including county departments of job and family services, public children services agencies, child support agencies, and OhioMeansJobs centers – work together to deliver critical programs that empower citizens to achieve and maintain employment, protect vulnerable children and older adults, and provide essential support like food, transportation, child care, and shelter when families are in need. These programs are lifelines, helping Ohioans navigate crises and build stronger futures.

While counties are pivotal in serving families during challenging times, they don't just respond to immediate needs. Through collaboration and innovation, counties increasingly focus on addressing the root causes of crises to truly set families on the path to self-sufficiency, break the cycle of dependence, and reduce the need for more costly interventions.

However, as caseloads and expenses continue to rise, the state must strengthen its support by investing more significantly in upstream strategies. These strategies, focused on prevention, will reduce the need for families to enter county and state systems in the first place. One of the most critical areas for investment is high-quality services and supports for Ohio's youngest children and their families. Evidence-based interventions during early childhood create a strong foundation for lifelong success, helping to reduce the need for expensive interventions later, including in our costly juvenile and adult corrections systems.

To effectively serve all Ohioans, CCAO urges the Governor and General Assembly to increase or maintain county funding levels and flexibility between funding streams to the extent possible under federal law. This flexibility allows each county to prioritize services based on local needs. Additionally, as counties face workforce shortages in critical human services roles, CCAO supports comprehensive investments in recruitment and retention efforts to ensure agencies can continue delivering these vital services.

CCAO supports the following initiatives:

- Bolstering Ohio's child welfare system and increasing state investments in child protection.

- Increasing state investments in public assistance administration, adult protective services, and family and children first councils.
- Increasing state investment and building capacity for mental health continuum of care.
- Expanding eligibility and building capacity for publicly funded child care.
- Sustaining state support for Ohio Benefits, Ohio's integrated benefit eligibility system, and enterprise document management.
- Allowing commissioners to appoint members of the Veteran Service Commissions (VSC) along with the ability to review and revise VSC budgets.

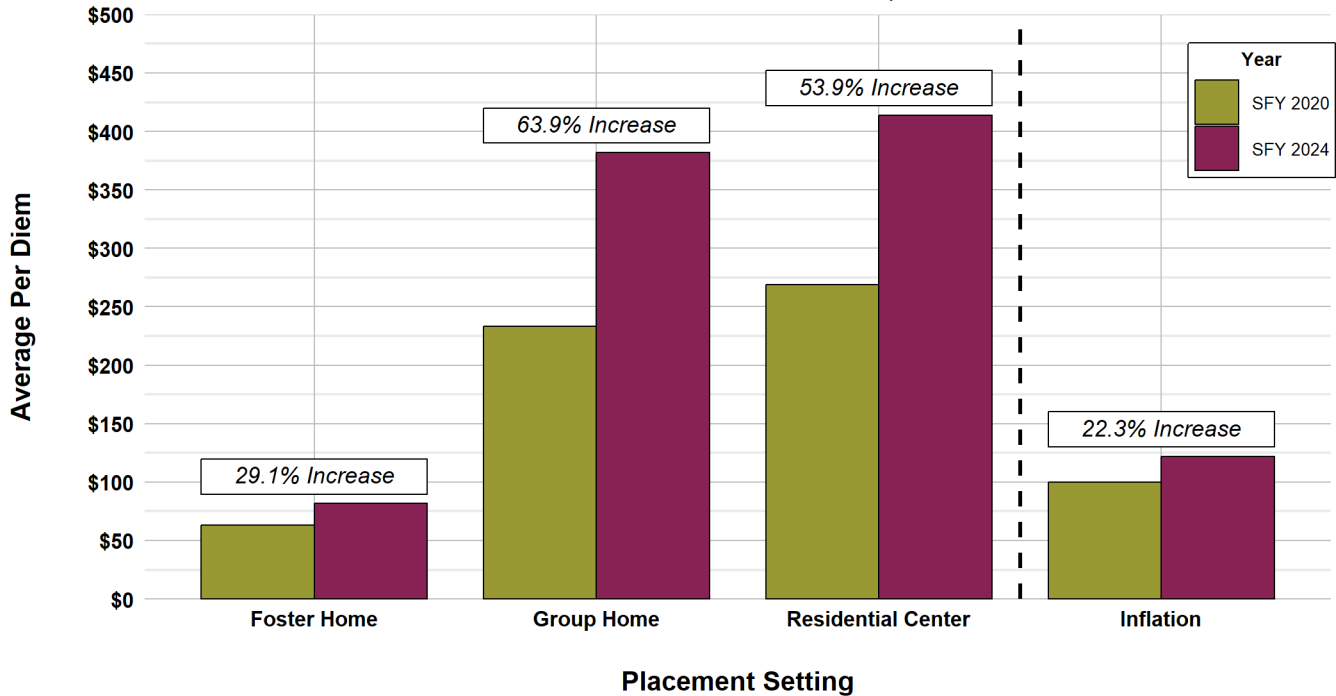
COMMITTEE PRIORITIES

Child Welfare

One of the most difficult tasks facing counties is the administration of programs and services for abused and neglected children. The child protection system faces many challenges, the most pressing of which are: the treatment and placement crisis, the need for a strengthened continuum of care, and workforce shortages. Since the pandemic, even though slightly fewer children are being served by county public children services agencies (PCSAs), placement costs have risen substantially. Declining numbers of licensed foster homes willing to work with older youth or those with acute behaviors has led to a heavier reliance on residential treatment facilities and group homes. Costs for such placements have soared, driven in part by inflation, but also because children entering custody primarily due to behavioral health, developmental disability, or as a diversion from juvenile corrections (rather than abuse or neglect) exhibit highly complex and increasingly difficult-to-manage behaviors. All of this is compounded by a workforce shortage and turnover crisis that has led to children spending more time in foster care.

As the needs of children and their families have increased, the capacity of the system and the services provided have not evolved at a rate adequate to meet

Child Welfare Placement Costs, 2020 and 2024



Source: Public Children Services Association of Ohio

Placement costs have outpaced inflation for every placement setting, some considerably so. Counties appreciate the increased support that the state has shown in recent years, yet building increased capacity and making structural reforms are still needed to ensure Ohio's children get the childhood they deserve.

them. PCSAs are often faced with placing youth out of state to find the necessary services for their treatment as there are not enough placement options in Ohio. There is an urgent need to increase services and provide appropriate placement options as well as prevention services within Ohio.

CCAO is grateful for increased investment in child welfare from the administration and General Assembly in recent years. Despite those investments, the children in care today still remain in the system longer and have more complex needs. Securing timely, appropriate, available and affordable placements often proves challenging. Ohio lacks community alternatives, viable treatment foster homes, and other placement options. When reunification is possible, many of these children need additional services to deal with the residual effects on their mental health, including depression, anxiety, PTSD, and behavioral and learning difficulties. CCAO supports cross-agency collaboration at the cabinet level to identify solutions to this crisis, including the creation of short-term children's crisis stabilization options.

The number of justice-involved youth entering PCSA

custody via courts poses unique challenges to counties. PCSAs simply do not have the resources or expertise to best serve delinquent youth, especially in cases involving serious criminal charges. Placement in foster care or unlocked residential facilities adds to the youth's trauma and sometimes even endangers the community. CCAO supports limiting the ability of juvenile courts to place into PCSA custody youth adjudicated delinquent with certain offenses and seeks to work with DCY and juvenile court partners to establish more appropriate alternatives to best serve these youth.

Congregate care is the most expensive placement option. The cost of care remains high across all placement settings, especially for children with high-acuity needs. In FY 2023, placement costs increased statewide by \$52.5 million, while federal IV-E reimbursement has decreased. Even counties that have successfully passed levies to cover these important services are struggling to provide the resources required. The costs of placement are unpredictable for counties. CCAO asks that the Department of Children and Youth (DCY) work with stakeholders to stabilize placement costs, bringing transparency and consistency to rates across the state.

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The 2023 state budget added \$60 million over the biennium to the state child protection allocation that flows to counties, bringing the total investment to \$155 million in FY 2025. This investment must be increased if the system is to meet current challenges.

Additionally, CCAO supports modernizing the income standards for IV-E funding at the federal level, which are currently linked to 1996 Aid to Families with Dependent Children income standards. This outdated threshold results in fewer federal dollars for Ohio counties' placement cost reimbursement.

CCAO supports the General Assembly's 2019 goal to end the practice of custody relinquishment for the sole purpose of gaining access to services for children with multi-system needs. This work requires additional state investment in multi-system youth services and custody relinquishment prevention, through the Department of Children and Youth and Department of Medicaid.

Furthermore, PCSAs are experiencing a serious workforce shortage that places the overall system in even greater peril. County caseworkers witness traumatic situations, leading to a high level of secondary trauma. Our child protection workforce must be reinforced by creating a pipeline of recruitment and retention supports. Expanding and implementing innovative programs such as the University Partnership Program and the Ohio Fellowship Program, loan repayment, staff supports, policy changes and retention incentives could provide the necessary infrastructure for caseworkers to remain with a county agency. If a long-term solution that can address the strains on this system is not found, a generation of children will have to live with the aftermath.

CCAO supports increased state investment in kinship support to reflect the policy changes made surrounding kinship care, including the Kinship Guardian Assistance Program (KGAP) and kinship specific certification process. The state should consider additional supports for kinship caregivers in need of child care. CCAO strongly encourages increased state investment in child protection to address the placement and workforce challenges with which the child welfare system is struggling.

Public Assistance Programs

Counties administer many public assistance programs,



Henry County Commissioner Glenn Miller and Warren County Commissioner Shannon Jones at the 2023 NACo Annual Conference. Commissioner Jones serves as the chair of NACo's Human Services and Education Policy Steering Committee.

including food assistance, cash assistance, TANF and Medicaid. Some of these programs, like Ohio Works First cash assistance and SNAP, have work requirements. Counties strive to make these programs meaningful and effective. SNAP Employment and Training operations receive a small amount of operational support from ODJFS. CCAO encourages additional state investments in this employment and training program, which are matched by the federal government dollar for dollar, so that it can be a true path toward self-sufficiency for individuals receiving public assistance with barriers finding and keeping a job.

County programming through the TANF-funded Prevention, Retention and Contingency (PRC) program is critical in both supporting self-sufficiency and supporting work. CCAO supports maintaining funding for PRC programs, preserving local elected official oversight of the programs, and the ability to determine the design of the programs locally. Given the diversity of Ohio, counties are best suited to identify where these supports are most needed.

During the federal public health emergency, states were prohibited from disenrolling clients from Medicaid. When the federal government ended the public health emergency, county JFS agencies rose to the occasion

and redetermined eligibility for the 3.5 million Ohioans on Medicaid. Counties used even more than the one-time \$30 million appropriation to accomplish this immense task. Now, under regular law, counties still have the same mandate on timely redeterminations for Ohio's 3.2 million Medicaid enrollees. It will be an incredible challenge to stay timely and accurate in Medicaid and SNAP eligibility processing without additional resources. County JFS operating resources have been flat funded since 2014, meaning a loss of over \$20 million in spending power.

CCAO supports additional flexible funding for county administrative work to complete these determinations and continue transformational casework for JFS clients. County agencies strive to connect Ohio's public assistance recipients with meaningful work and training programs but must be funded appropriately to succeed.

As we look toward connecting people to the workforce and jobs that enable them to be self-sufficient, additional 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 similar programs. CCAO supports flexible funding to implement these strategies, such as a continuation of the Benefit Bridge Pilot Program.

Mental Health and Addiction Services

CCAO supports increased state investment in mental health and addiction services. It is crucial that Ohio expand the availability of services to support individuals and families in need, especially those in crisis situations. Investing in the full continuum of care, including prevention, treatment, and recovery services and supports, will strengthen our communities. Maximum flexibility in funding streams will allow local boards and communities to expand capacity of services most needed in their local areas. Strengths and opportunities for growth vary from

county to county, so flexibility is crucial as Ohio works to build out the continuum of care. CCAO supports investing in and expanding mental health services for Ohio's children and adults of all ages.

Child Care

As counties strive to empower families and ensure a sufficient workforce in their communities, access to quality child care becomes an indispensable cornerstone of this mission. Counties are committed to fostering self-sufficient, healthy families through programs provided by our job and family services (JFS) agencies, including administering the state's publicly funded child care system. As such, counties are uniquely positioned to recognize both the current challenges many families have accessing quality, affordable child care and the significant positive impact that child care can have on a family's journey toward economic prosperity. Unfortunately many

parents, particularly mothers, are unable to afford the cost of care for their children, which often forces them to reduce the number of hours they can work or leave the workforce altogether. This barrier causes devastating consequences for families, businesses, and the overall economy.

CCAO knows child care is an essential workforce support for our communities, including among county employees. CCAO strongly

supports increasing the eligibility threshold for publicly funded child care to 200% of the federal poverty level. Additionally, CCAO supports efforts to build child care capacity to address the unique needs of infants, toddlers and children the foster care and child welfare systems.

Prenatal to Three Services

Counties recognize that children who are born healthy and grow up in healthy, safe environments have better physical and mental health throughout their lives. Expanding services available to our youngest Ohioans strengthens our communities in the long term. CCAO supports increased access to home visiting programs, increased funding for early intervention services, and building the capacity of Ohio's workforce in these crucial programs. Further consistent health coverage

**COUNTIES ARE UNIQUELY
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TOWARD ECONOMIC PROSPERITY.**

HUMAN SERVICES

and care is foundational for every young child, meaning families with young children need access to quality and timely pediatric and early childhood mental health services.

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 (FCFCs) provide youth-serving systems collaboration, service coordination, and High-Fidelity Wraparound

EXPANDING SERVICES TO YOUNG OHIOANS STRENGTHENS OUR COMMUNITIES IN THE LONG TERM.

services. In order to perform these coordinating functions, in FY 2024-2025, FCFCs were funded at \$30,750 per county, an increase from \$15,750 in previous years. CCAO recommends appropriately funding the administration of local FCFCs by increasing the allocation to at least \$105,000 per county to allow for 1.5 full time employees in each county. CCAO supports flexibility for each FCFC to use these dollars for salary, benefits, and contracting based on county needs to complement their local braided funding.

Older Ohioans and Adult Protective Services

Counties are charged with providing a uniform adult protective services (APS) 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.

Funding for APS has not always kept pace with expectations placed on counties or the aging of Ohio's population. Program reforms in the FY 2018-2019 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. These changes greatly expand the number of reports of abuse, neglect, or exploitation that counties must investigate.

In FY 2024-2025, the legislature appropriated \$9.72 million per year to fund APS, an increase of \$4 million per year, allotting \$80,000 to each county. In order to ensure victims of elder abuse receive core adult protective services, the state must financially support the administration and delivery of these services. Given the continued rise of exploitation cases, and the greater complexity of cases being seen, CCAO supports increased resources to fund adult protective services case workers and the provision of services to help stabilize older adults in an emergency.

Additionally, our population of Ohioans aged 65 and older continues to grow at a fast rate compared to other populations. CCAO supports increased state investment in community-based supports and services to allow seniors to live engaged, independent and secure lives across all 88 counties.

Child Support

Since its inception in 1975, the Title IV-D Child Support program has transformed from a collection agency to a family-centered program. The program works with both parents, as well as third-party caretakers, regardless of income, and cases are administered for long periods of time, often from infancy through graduation.

All child support cases in the state of Ohio are administered at the county level. County child support agencies work to safely deliver a host of services including paternity establishment, support establishment, review and adjustment of orders when circumstances change, termination of orders, and enforcement of orders when support is not being paid.

Several strategies continue to be piloted across the state to ensure services and regular payments to families. They include early intervention programs; collaboration with workforce agencies, fatherhood programs, 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; safely delivering services to domestic violence survivors; and person-centered case

management. 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 increasing the state match allocation to county child support agencies. The 2021 state budget increased the state match by \$2.943 million per fiscal year after the program was flat funded for more than ten years. Costs continue to rise, and it is time to make a major investment in one of the most cost-effective programs in the nation. These contributions to the child support program result in a 66% match by the federal government, thereby increasing the buying power of the program. The additional investment in the county allocation will allow flexibility to enable counties to tailor services to their local needs.

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, child care and SNAP. 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. As county agencies struggle to stabilize workforce turnover, increasing program efficiencies is more important than ever.

For the child support program, modernization of the statewide support enforcement tracking system (SETS) is ongoing and it is critical to the future success of the program.

In addition, it is time to make necessary enhancements to the Enterprise Document Management System (EDMS) that allows sharing of essential information across programs and a majority of counties rely upon.

It is critical that work continue to ensure these systems are efficient and user friendly to both county workers and the clients served. CCAO supports work to streamline the systems so county JFS agencies can focus on less transactional work and more on transformational work, as well as continued state investment to refine these technologies, including financial support for ongoing training, system maintenance and upgrades.

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 R.C. 5901.11 to fund the Veterans Service Commission with the equivalent of 0.5 mills on the total assessed value of the property in 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 sole 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.

Guardianship Services

H.B. 595 of the 132nd General Assembly gave county probate courts the permissive ability to establish a guardianship services fund and guardianship services board. The fund shall be used for services and guardianship of people under the care of a county board of alcohol, drug addiction, and mental health services, a county board of developmental disabilities, or other guardianships. Currently, it is the responsibility of the county to fully fund these services. CCAO supports state investment in guardianship services through county guardianship services boards.

JOBS, ECONOMIC DEVELOPMENT AND INFRASTRUCTURE

Chair: Cory Noonan, Allen County Commissioner

Vice Chair: Judy Dodge, Montgomery County Commissioner

Staff: James Kennedy, Policy Analyst

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, over the long-run, funding has not kept pace with needs.

Counties recognize the historic investments in infrastructure and economic development made by the DeWine-Husted Administration and the General Assembly in recent years. CCAO is hopeful that these actions mark a turning point in the state-county partnership. In 2021, the legislature provided \$350 million for brownfield remediation and \$150 million for site demolition from the General Revenue Fund in the biennial budget bill (H.B. 110). H.B. 33, the FY 2024-2025 operating budget, renewed grant programs that make Ohio communities more competitive, with \$175 million in each year dedicated to brownfield site remediation and \$150 million in FY 2024 dedicated to building demolition and site revitalization. CCAO recommends that the state identify dedicated, stable sources of revenue for the continuation of these programs in the future.

The state has also made large additional investments in water and sewer infrastructure in recent years. In the 134th General Assembly, H.B. 168 and H.B. 45 combined to appropriate \$500 million and for water and sewer infrastructure using American Rescue Plan Act (ARPA) funds; H.B. 33 provided \$124 million in FY 2024 for improving water and sewer infrastructure. In 2022, H.B. 377 appropriated \$500 million in ARPA funds for the Appalachian Community Grant Program. Counties request that the legislature continue to make these types of transformational investments that improve the quality of life across the state.

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

- **Housing** – An adequate supply of affordable housing is essential to Ohio's long-term economic growth. The state should support the development of a variety of housing options for both young families and seniors, while respecting the need for local decision-making about where new development should take place.
- **Workforce** – Counties are responsible for implementing workforce programs that help residents attain meaningful employment and gain skills that businesses value. Counties and local workforce areas must maintain local discretion over area designation, funding, and the flexibility to reflect and address local employers' needs if they are to achieve success.
- **Infrastructure** – Large parts of the state still do not have adequate broadband internet access, which hinders their economic development potential. State funds should be made available to fill in projects that cannot be addressed with federal funds. 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.
- **JobsOhio** – 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. JobsOhio must develop a stronger partnership with rural counties to identify long-term needs and develop solutions that allow them to compete. Payments from JobsOhio to the state GRF should be invested in local infrastructure and training.

The four 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.

COMMITTEE PRIORITIES

HOUSING

An long-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. Funds should be provided to land banks to redevelop vacant residential properties or convert former commercial buildings to residential use. Also, the state should streamline the Ohio Housing Finance Authority's processes so that more developers are able to participate in Low Income Housing Tax Credit and similar projects. Developers who are capable of performing work find it difficult to participate because of program rules that emphasize previous federal work.

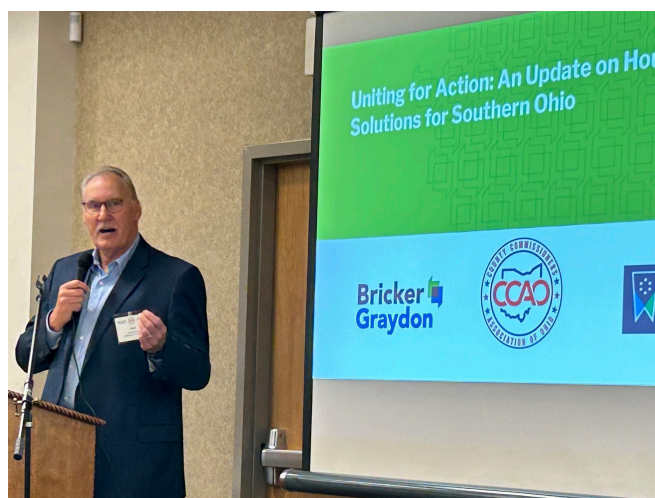
Land Use Regulation Authority

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 the full 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 the transfer of development rights (TDR) in both zoned and un-zoned areas in order to promote the 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.

Approval of Expedited Annexations

Ohio law provides several options for expedited annexation to a municipality if all property owners agree. Commissioners must approve the annexation if all of the statutory conditions are met. Commissioners



Ross County Commissioner Jack Everson spoke during a forum focused on housing issues. CCAO, in conjunction with the law firm Bricker Graydon and OhioRealtors, held three such events in 2024 to bring local communities together to discuss how to best address Ohio's housing shortage.

should have the authority to (1) raise other concerns that are not addressed in statute, such as traffic, land use plans, water and sewer utilities, and the impact on school districts, and (2) to negotiate an acceptable resolution with other political subdivisions involved in the annexation.

WORKFORCE DEVELOPMENT

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.

Local decisions regarding the organization and structure of local workforce areas are crucial to the continued success of assistance in our communities. The needs of each county's business community and workforce population vary, and local control over flexible funding and service delivery increases the effectiveness of our programs.

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.

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

The effects of the opiate epidemic are still felt in the workforce. The state should partner with counties and employers to find innovative ways to return individuals with substance use disorders to the workforce.

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 board 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.

CCAO encourages 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. CCAO urges maintaining or increasing the percentage of federal workforce dollars that flow to the local boards.

Any additional mandates on local service delivery should be adequately funded. CCAO supports additional federal investment in training coupled with investment in wraparound services including career readiness, career exposure, and other support services that drive successful outcomes for job seekers. 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 CCMEP. CCMEP marries funds from the WIOA and TANF programs to 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.

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 counties on this issue to find ways to ease the effects of the cliff.

Local Authority

Federal or 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 state Office of Workforce Development should form partnerships with counties to implement best practices for workforce development at the local level.

CCAO supports county discretion over the composition of local workforce areas. Local authority fosters community-centric workforce solutions and provides

an easier pathway for local employers and job seekers to have input in the workforce development process. Workforce investment areas and one-stops 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 non-compliant 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.

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. The US 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 H2Ohio and other programs that work directly with non-point sources of nutrient loss.

Agencies and communities are also being impeded by a prescriptive approach to the 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 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

THE STATE MUST TO ADDRESS THE ABILITY OF COUNTIES, LOCAL GOVERNMENTS, AND RESIDENTS TO FINANCIALLY AFFORD NECESSARY WATER AND SEWER PROJECTS.

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.

Connection to Sewer Systems

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 they are within 200 feet of the public sewer. Historically, septic systems have been looked at as temporary systems. This has been Ohio policy 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.

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."

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.

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, JobsOhio should provide more assistance to counties where smaller scale projects are more in line with the needs of the community. 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 Small Business Grants Program, which focuses on developing and expanding

small 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 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.

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.

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.

COMMITTEE RECOMMENDATIONS

SOLID WASTE

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 residents.

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.

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 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 30 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 ensure 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.

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 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.

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

THE STATE SHOULD COMMIT TO INCLUDING LOCAL GOVERNMENTS IN FORMING STATE POLICIES GIVEN THE POTENTIAL SITING, INFRASTRUCTURE, TAXATION, AND COMMUNITY IMPACTS OF ENERGY 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 Programs / Land Banks

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

- Allow counties to form multi-county land banking programs.
- 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 board of county commissioners to retain its 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

The law gives county engineers “force account” authority to undertake projects below certain cost thresholds with county personnel and equipment. The 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.

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.

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 Transportation 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 and electric vehicles have gained market share. Revenue from the motor vehicle fuel tax has been flat since 2021, while construction costs have skyrocketed. As this trend continues, counties will 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 2024, 24 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.

The state should also encourage voluntary, regular contributions to road maintenance from Amish and other groups that use animal-drawn vehicles. Such voluntary contributions are in place in several counties under R.C. 5501.33.

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

Airport Funding

Ohio has 97 general aviation grant-eligible airports. CCAO supports legislation that would establish a trust fund using a portion of state sales tax revenue from the sale of aviation fuel to create a dedicated funding stream for safety and runway improvements at these airports. The funding would bolster these anchors of local economies.

Railroad Grade Separation Fund

CCAO supports legislation that would continue the Railroad Grade Separation Program initiated in 2001 that is now part of the TRAC process. The state should also continue the Ohio Grade Crossing Elimination Program to support grant proposals to be vetted by the Ohio Rail Development Commission

and then submitted to the Federal Railroad Administration for grant funding. 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. The state should continue to support broadband expansion efforts to ensure access to high speed internet for all Ohioans.

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.



The Geauga County Airport, pictured above, is one of Ohio's 97 general aviation airports that would benefit from a dedicated fund for airport safety and runway improvements. The airport has undergone several improvement projects in recent years, funded both by the county and intergovernmental grants.

JUSTICE AND PUBLIC SAFETY

Chair: Barb Lewis, Delaware County Commissioner

Vice Chair: Terry Britton, Highland County Commissioner

Staff: Kyle Petty, Managing Director of Policy

THE STATE SHOULD ASSUME COMPLETE RESPONSIBILITY FOR FUNDING INDIGENT DEFENSE

According to the US 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.

The state-county partnership in this area has been considerably strengthened during the last three General Assemblies. Despite the recent progress, the indigent defense system continues to be more expensive to deliver at the local level in many counties, which is primarily driven by an attorney shortage in the rural areas of the state. According to a study by the Ohio State Bar Association (OSBA), there are 80 counties in Ohio which contain more than 700 residents per attorney. The top six most populous counties (Franklin, Cuyahoga, Hamilton, Lucas, Montgomery, and Summit) represent 42% of the state's total population, but contain 72% of Ohio's active attorneys. As a result, it is becoming increasingly hard to find attorneys to perform indigent defense work and even harder to entice them to work in many of the rural counties across the state.

The fluctuation in cost to deliver the service from county to county has negatively impacted the state reimbursement rate to provide this constitutionally mandated service. For example, the reimbursement rate from the Office of the Ohio Public Defender (OPD) was 100% in FY 2022. The reimbursement rate slowly decreased in FY 2023, where it hit its low point at 66% during the end of the fiscal year. The additional funding provided in H.B. 33 allowed for the reimbursement rate to increase to 85% in FY 2024, but it has since decreased to 78% in FY 2025. The fluctuation in the reimbursement rate makes it very difficult for counties to budget for this service. Therefore, it is clear that additional funding is needed

and that the current delivery system does not work for every county. Systematic changes are needed to ensure this constitutionally mandated service can be effectively provided in all counties at a comparatively equal funding level.

Indigent defense funding and program delivery were hot topics in the 135th General Assembly. The biennial operating budget, H.B. 33, provided additional financial support to counties for the increased costs associated with delivering indigent defense services at the local level. In total, an additional \$67 million dollars was appropriated over the biennium to address this issue. Furthermore, the General Assembly sought to control the growth of indigent defense spending by imposing a \$75 an hour cap on the hourly rate for appointed counsel in non-capital cases.

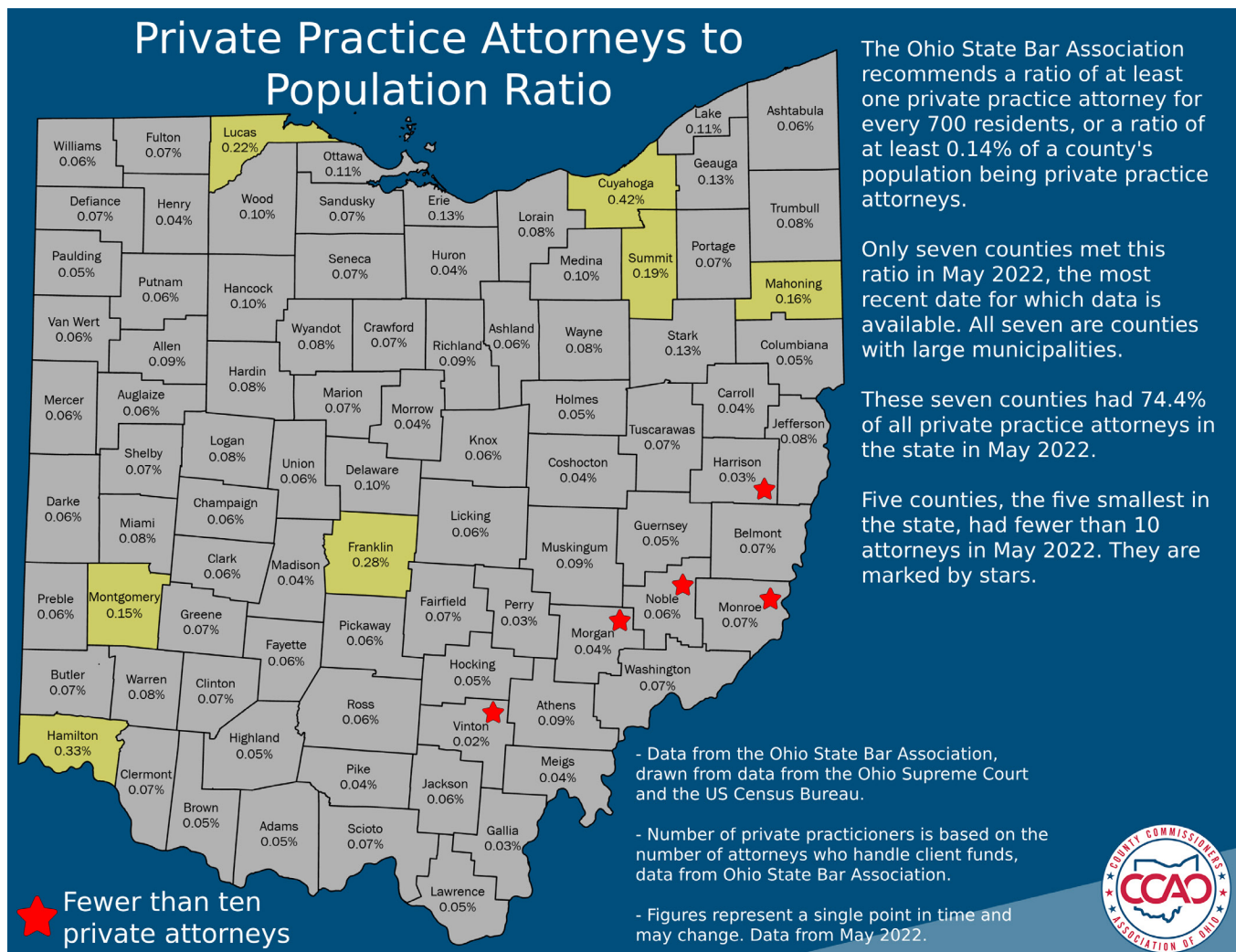
A similar hourly rate cap for capital appointed counsel cases was created later in the General Assembly and capped rates at \$140 an hour to align with the recommendation from the

Capital Case Attorney Fee Council.

The discussion surrounding indigent defense continued through the Ohio Indigent Defense Study Task Force. This task force consisted of legislators, judges, a county commissioner, and criminal defense attorneys and was tasked with studying and making recommendations for the funding and system delivery for indigent defense in Ohio. The Task Force utilized the recommendations from a comparable OSBA task force, which concluded its work in 2024. Both task forces recommended changes to the delivery of indigent defense, and the OSBA task force listed fully funding of the indigent defense system as the top recommendation. CCAO was actively involved in both task forces and we were pleased to see the recommendations of the task forces closely align with CCAO's policy priorities in this important area.

We hope to carry the positive momentum surrounding indigent defense into the upcoming FY 2026-2027 biennium. To that end, CCAO supports the following policies:

THE STATE SHOULD ASSUME COMPLETE RESPONSIBILITY FOR FUNDING INDIGENT DEFENSE.



- Fully fund counties for the cost of providing indigent defense services.
- The state should provide an option to allow the state public defender to take over operation of the indigent defense program if a county chooses to contract with the state for the operation of the program. This option can initially begin as a pilot program and can be expanded in future budgets.
- Support the expansion of online attorney bill submission directly to OPD for appointed counsel.

CCAO believes the upcoming biennium is crucial to the effective operation of indigent defense in Ohio. The policy priorities listed above will allow for all counties to deliver high quality and cost-effective indigent defense services either locally or through the state. Either way, 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.

Historical Perspective on Indigent Defense

Initially in response to *Gideon v. Wainwright* (1963), 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 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.

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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 record low reimbursement rate occurred in FY 2009 at 26.1% and that the reimbursement rate averaged 40% between 2010 and 2019. 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. 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 \$140 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 in 2016.

THE STATE SHOULD RECOGNIZE THE IMPORTANCE OF COUNTY JAILS IN THE CRIMINAL JUSTICE SYSTEM AND STRENGTHEN THE STATE-COUNTY PARTNERSHIP THROUGH THE FOLLOWING POLICIES:

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 (BSSA) and CCAO projected a statewide cost of over \$1.3 billion for county jail construction and renovation costs. CCAO and BSSA updated this survey in 2024 and it revealed that the overall need for county jail construction and renovation projects has grown to \$2.2 billion dollars. The increase is largely driven by inflationary construction costs, with counties reporting an average increase of 41.5% since the initial project estimate. Costs are increasing at a pace that has rendered many counties unable to afford constructing or renovating these vital public safety facilities solely with local funds.

The excess demand for jail project funding is a result of the increased need for the sheer quantity and specific type of jail bed required to house Ohio's jail population. To that point, the inmate population in county jails is changing and jails are required to provide services that exceed the design capabilities of the facility. In our updated jail survey, the most common need associated with a new jail project was to increase the number of female jail beds, increasing the mental health and drug addiction treatment capacity in jails, and last but certainly not least, to

ADJOINING PAGE

Top

State support, along with local efforts, have enabled several counties to begin or complete jail projects in recent years.

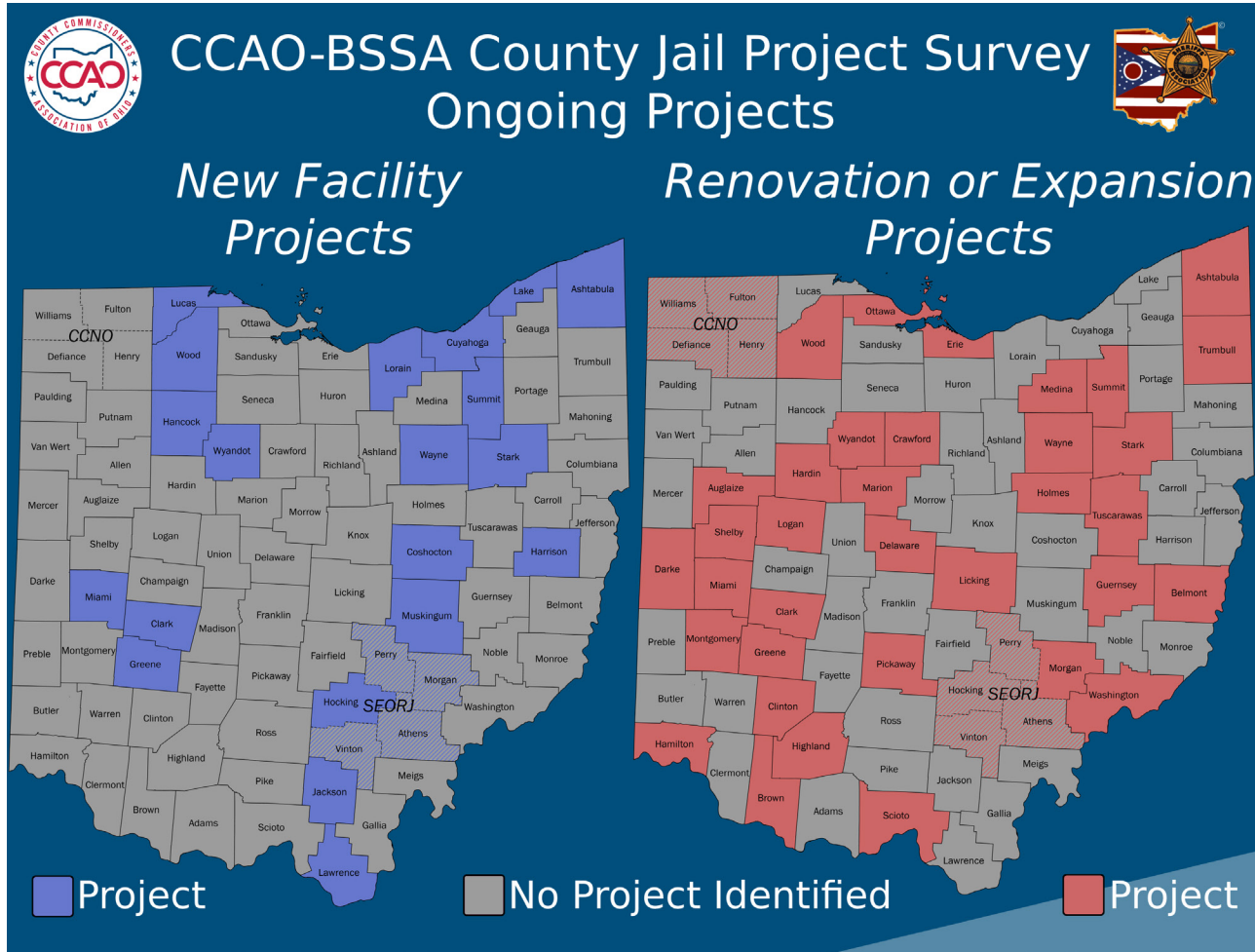
- A - Wayne County Jail Groundbreaking
- B - Lucas County Jail Groundbreaking
- C - Greene County Jail Groundbreaking
- D - Lake County Jail Groundbreaking
- E - Coshocton County Jail Ribbon-cutting
- F - Gallia County Jail Ribbon-cutting

BOTTOM

The results of CCAO and BSSA's 2024 County Jail Project showed that half of the state's local jails have a planned or ongoing capital project, totaling \$2.2 billion in current and estimated costs, an increase from the \$1.3 billion a similar survey found in 2019.

The map shows counties and regional jails that, as of February 2024, were in the planning or construction phase of a jail project (note, some counties had ongoing projects of both types). Some, but not all, of these projects received state funds.

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enhance the safety for corrections officers.

Due to overcrowding or outdated facility design, many jails are physically unable to provide the space to provide substance abuse and/or mental health treatment for their population. All of the issues mentioned above solidify the need for state support for county jail construction as many counties are unable to build new jail facilities solely utilizing county dollars.

Thankfully, the DeWine-Husted Administration and the last several Ohio General Assemblies revived state funding for county jail construction projects after a lapse of more than 20 years. Beginning in the 133rd General Assembly, S.B. 310 provided \$50 million in capital dollars to counties to assist with jail construction projects. In the next General Assembly, an additional \$50 million capital dollars was appropriated for the same purpose in H.B. 687.

For the first time in recent memory, general revenue funding was appropriated for county jail construction projects in H.B. 33 in the 135th General Assembly. H.B. 33 appropriated \$75 million dollars for jail projects and created a formula for distributing the funding to counties for jail projects. The Department of Rehabilitation and Correction (DRC) was responsible for inviting counties to apply for this funding, and DRC prioritized projects in the poorest counties in the state according to a formula that ranks counties from poorest to richest based on property tax valuation and estimated taxable retail sales. The formula also requires counties to provide a predetermined local match for the project.

In lieu of the formula, CCAO supports the distribution of jail project funding through a process that gives DRC flexibility to select projects that are needed due to facility safety needs among other considerations. Additionally, CCAO would like DRC to have the flexibility to determine an appropriate county match for a project. CCAO was pleased to see that the additional \$50 million dollars allocated for jail construction in H.B. 2 of the 135th General Assembly reflects our preferences.

CCAO sincerely appreciates the recognition by the state of the challenges counties face in providing safe and

secure county jail facilities. The funding contained in the bills mentioned above allowed several counties to construct new jail facilities and allowed others to make necessary repairs or renovations to their existing facility. That being said, CCAO urges the state to view these prior appropriations as an 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.

An ongoing consistent and dedicated funding source for county jail construction needs to be created to avoid the devastating consequences of the prior 20-year absence of state funding. The funding source would allow counties to effectively plan for future projects with the possibility of state funding and further solidify the state-county partnership in this important area.

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 as nor trained to be treatment providers. The state must accept responsibility for the management and care for the mentally ill and addicted population.

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.

According to DRC data, approximately one in three inmates are currently confined in a county jail due to a drug-related offense, with many of these individuals also suffering from mental illness. 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,

INCARCERATION OF MENTALLY ILL AND ADDICTED INDIVIDUALS INCREASES RISK AND IS OUTSIDE THE PURPOSE OF COUNTY JAILS.

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.
- Increase the funding and expand 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.
- Multi-county mental health and drug treatment facilities.

Risk-Based Bail System

CCAO urges the legislature to continue its deliberations on this subject and enact a risk-based system to establish bail for defendants that allows for public safety to be considered as a factor of pre-trial release. 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 (R.C. 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.

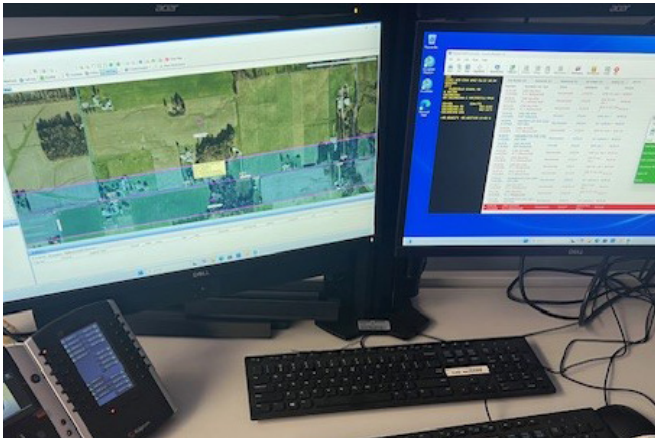
Coverage of Medical Costs for Unsentenced Jail Inmates

CCAO asks that the state encourage Congress to remove the so-called "inmate exclusion policy" 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.

Recently, Centers for Medicare and Medicaid Services (CMS) released guidance encouraging states to apply for a new Section 1115 demonstration opportunity or waiver, to test transition-related strategies to support community reentry for people who are incarcerated. This demonstration grants states a partial waiver of the inmate exclusion policy, and allows for state Medicaid to reimburse counties for costs associated with certain healthcare services for incarcerated individuals in the county jail. To date, three states have their waivers approved by CMS and an additional 19 states have waivers that are pending approval. Ohio should join these states in applying for this 1115 waiver and allow for Medicaid to reimburse counties for healthcare costs associated with inmates in the county jail.

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The NG 9-1-1 allows dispatchers to receive emergency service requests by text and video, and enables dispatchers to see more accurate live locations of callers to better direct first responders. The state must continue strong support for implementing NG 9-1-1 at the county level.

Photo courtesy of Columbiana County Emergency Management Agency.

State Subsidy for Housing Certain Prisoners

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.
- 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 OMVI laws.
- Prisoners who must be retained in the county jail because DRC is unable to receive them.

Emergency 9-1-1 Funding and Management

H.B. 33 included language that would transition Ohio to a statewide Next Generation 9-1-1 (NG 9-1-1) system. The State 9-1-1 Steering Committee (formerly known as the Statewide Emergency Services Internet Protocol Network Steering Committee or ESINet Committee) is tasked with moving Ohio to a NG 9-1-1 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 assist

counties with purchasing the equipment necessary to connect to a NG 9-1-1 system and provide ongoing funding to counties to effectively operate the system.

The statewide user fee must be increased to adequately fund the NG 9-1-1 system at the local level. H.B. 33 provided nearly \$46 million dollars in one time funding to assist with the upgrade and migration to a NG 9-1-1 system. That funding will cover the state's one-time costs associated with upgrading the statewide NG 9-1-1 system and will allow some counties to upgrade their systems and come online as pilot counties in 2025. H.B. 33 also expands the statewide user fee, which generates operating funding for the NG 9-1-1 system, from 25 cents monthly on landline and wireless services to 40 cents monthly on wireless services, VOIP, and multi-line telephone systems. The bill includes a provision that sunsets the 40 cent per month fee on September 30, 2025, after which it will revert to 25 cents per month.

The revenue from the user fee expansion was expected to generate over \$100 million annually. With the expected increased revenue, the percentage of user fee revenue given to counties was decreased from 97% to 72%, with the majority of the foregone revenue going to operate the statewide NG 9-1-1 system that would be utilized by the locals once everyone upgrades their system.

The initial revenue derived from the user fee expansion has fallen well below the expected amount. Currently, the new user fee will generate approximately \$48 million annually. While this represents a revenue increase for counties, it is well below the expected revenue amount. The shortfall will negatively impact 9-1-1 operations at the local level and delay or even prevent counties from upgrading their system to a NG 9-1-1 system.

CCAO supports the following policies that will adequately fund 9-1-1 operations in the state and allow for a timely upgrade to a NG 9-1-1 system.

- The language in current law that reverts the user fee to 25 cents per month should be removed.
- Enact a statewide user fee that generates at least \$100 million annually.
- CCAO would support the ability for the statewide 9-1-1 Steering Committee to adjust the fee

amount not greater than 2 cents than the previous year's fee. This flexibility provided to the 9-1-1 Steering Committee is necessary to ensure that both the implementation of the NG 9-1-1 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 to 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 NG 9-1-1 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.

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 current 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 \$10.5 million dollars of GRF funding per year to subsidize monthly MARCS subscriber fees paid by political subdivisions during the FY 2024-2025 biennium. This appropriation represents an \$8 million dollar increase in each fiscal year compared to FY 2022 and FY 2023. The total cost per radio is \$25 per month and the additional funding will increase the state's subsidy for this program. The funding will reduce the monthly fee per device paid by local governments from \$10 to \$5 per month.

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 (R.C. 2303.20) were last increased in 1992, and probate court fees (R.C. 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 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

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the case under its municipal ordinance authority.

Commissioners Use of Outside Legal Counsel

The board of county commissioners may employ an attorney other than the prosecuting attorney to represent them 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 R.C. 309.09(C) be eliminated.

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.

- 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.

Community Corrections Programs

DRC and the Department of Mental Health and Addiction Services 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 county jails. CCAO strongly supports this collaboration and encourages a much greater level of reinvestment in the communities to support these goals.

DRC's 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 are identified. Additional funding should be allocated specifically to county governments through the CCA Jail Diversion (407 line item) and Community Misdemeanor Programs (408 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.

Juvenile Justice Funding

Prior to H.B. 33, support for local juvenile justice programming had been ignored for over a decade. While counties appreciate the additional funding, it is becoming more difficult to supervise the ever-changing juvenile population at the local level and further resources are needed to assist counties with these efforts. RECLAIM Ohio and the Youth Services Grant (510 line item) are the major components for juvenile justice funding and are absolutely critical funding programs for Ohio's juvenile courts, accounting for

approximately 33% of their operating budgets.

Annual RECLAIM Ohio funding received a \$2 million increase in funding in FY 2024 and FY 2025, which brought the total program funding to \$32.6 million per fiscal year. The Youth Services Grant continues to be flat funded, as it has been since FY 2011, at \$16.7 million per year. Each juvenile court is guaranteed a base of \$50,000 plus additional funding on a per capita basis for counties with a population over 25,000.

Juveniles intersect various programs at the county level and it is becoming increasingly difficult to supervise justice involved juveniles at the local level. CCAO is pleased to see additional funding allocated to RECLAIM Ohio to assist counties with supervision and local programming. However, additional funding is needed for this challenging population and without additional funding, DYS commitments could increase.

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 DRC. 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 DRC 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

AS THE STATE FINISHES THE BUILD OUT OF THE NG 9-1-1 SYSTEM IT MUST PROVIDE MORE FUNDING FOR COUNTIES TO IMPLEMENT IT.

rehabilitative services that would benefit the remediation of the opiate crisis.

State Funding of the LEADS System

The state should provide a funding mechanism for local jurisdictions to cover the cost of hardware and software upgrades that the state's Law Enforcement Automated Data System (LEADS) requires as new technology makes LEADS more advanced, but also more expensive.

Prosecution of Crimes Occurring on State Property

The state should 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.

Update Training and Provide Additional Support for Volunteer Fire Fighters and EMS Recruitment and Retention

The state should continue to reevaluate the training requirements for firefighters and EMS to ensure the curriculum is relevant and effective, as well as consider how training can be efficiently delivered. Additionally, the delivery of the required training needs to be modernized through the use of technology when appropriate.

It is becoming increasingly difficult to fund volunteer fire departments and EMS services at the local level. The state should provide financial support to local communities to assist with the cost of fire department operations, training cost reimbursement, fire fighter equipment, EMS operations, and EMS equipment.

Provide State Funding for Victims' Services

Programs and support for victims of crime in Ohio are primarily funded through federal Victims of Crime Act (VOCA) funding. For a variety of factors, Ohio's funding from the program has experienced a 77% total cut since 2018. Furthermore, it is expected that Ohio will see additional decreases in federal VOCA funding. Services for victims of crime are largely delivered at the local level and the passage of Marsy's Law in 2017 imposed additional responsibilities on county prosecutors and clerks of the courts of common pleas. Additional financial support is needed from the state to adequately fund victims' services programs at the local level.

METROPOLITAN AND REGIONAL AFFAIRS

Chair: Lisa Sobecki, Lucas County Commissioner

Vice Chair: Kevin Boyce, Franklin County Commissioner

Staff: Cheryl Subler, Executive Director

The twelve 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 grapple 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, public safety, 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.



In 2024, Franklin County Commissioner Kevin Boyce testified in front of the US Congress on housing issues. Commissioner Boyce served as co-chair of NACo's Housing Task Force.

Affordable Housing and Property Taxes

Ohio's metropolitan areas do not have enough affordable housing to meet demand. The state should take the lead by improving the availability of and access to affordable rental housing and owner-occupied housing. Rehabilitation of aging housing stock must be part of any solution in Ohio's urban areas. CCAO supports the continuation of the Department of Development's Welcome Home program to enable land banks and their partners to redevelop significant numbers of residential housing units. The FY 2024-2025 operating budget also created a state income tax credit to supplement federal credits available through the Ohio Housing Finance Agency. CCAO would like to see this program continue in the upcoming biennium.

The state should also undertake efforts to reform the property tax system and ensure that seniors and other individuals on fixed incomes can continue to live in their homes. For more information on detailed recommendations, see the **Taxation and Finance** section of this document.

As a consequence of increased housing costs, more families are becoming homeless. The state should

METROPOLITAN AND REGIONAL AFFAIRS

help counties develop supportive housing options and family-oriented shelters for crisis situations.

Benefits Cliff

The current public benefits system forces recipients who are working to make difficult choices between accepting a raise or promotion and losing their benefits. The state should work with counties to create a seamless transition out of benefit programs that incentivizes higher-paid employment. This may involve working with federal agencies and Ohio's Congressional delegation to change federal rules when needed.

Jail Funding

Many county jail facilities are overcrowded and are aging beyond their intended useful life. Metropolitan counties are faced with the need to make major renovations to these facilities or replace them entirely. CCAO appreciates the unprecedented \$75 million included in the FY 2024-2025 operating budget and \$50 million dedicated to county jails in the two three most recent capital budgets. The state should continue to support county jails through a dedicated reoccurring funding source for county jail construction/renovation projects, with a dedicated fund for large county jails. The state should also do more to alleviate the costs associated with the mental health and addiction issues among the incarcerated population.

Please see the **Justice and Public Safety** section of this document for more information.

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. Historically, Ohio has provided little support for public transit. This started to change in 2019, when 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.

H.B. 23, the FY 2024-2025 transportation budget, appropriated \$37 million in each fiscal year from the state GRF. The main federal line item provides \$57.4 million in FY 2024 and \$63 million in FY 2025 from the US Federal Transit Administration. In addition, \$33 million per year is earmarked from federal highway construction flexible funds.

Transit authorities will need increased state and federal investment to address short-term and long-term challenges. Some of these needs will be met through increased funding for capital expenses in the Bipartisan Infrastructure Law, but long-term state support remains critical.

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

In the long-run, the Ohio public transit vehicle stock is aging and much of it will need to be replaced. 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

METROPOLITAN AND REGIONAL AFFAIRS

local transit systems. Currently these funds may only be used for operating expenses by transit systems serving communities with a population under 200,000.

- The Ohio Department of Transportation also should pass through the full amount of the federal obligation ceiling to local entities for critical transit needs.

COMMITTEE RECOMMENDATIONS

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 expanding detoxication and treatment access, providing the resources to expand Naloxone availability, and offsetting the costs associated with autopsies and toxicology reports.

Other suggestions include increased support for jail inmate medical cost relief, an expansion of early education, prevention, and intervention resources, and aiding in the demand placed on child protective services workers.

The FY 2024-2025 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

As of January 2024, 65% of Ohio's children in the custody of public children services organizations lived in the largest 12 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. Children services costs

have skyrocketed due to the complex needs of many children who cannot be served in a traditional foster care setting. The state should commit more resources to helping counties with this need.

To view CCAO's recommendations around Ohio's children services program, see the **Human Services** section of this document.

Child Care

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.

Because child care is a vital work support program, CCAO supports an increase in the income eligibility threshold for the program and capacity building efforts at the state level.

See the **Human Services** section of this document.

Youth Engagement

Metropolitan counties have experienced increases in violent crime committed by juveniles in recent years. The state should work with counties to develop programming to keep youth engaged in school, work, and recreational activities. Also, the criminal justice system should hold parents accountable if they are negligent in monitoring their children's activities.

Indigent Defense

It is time for the state to assume complete financial 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 recent budget and this process should be finalized in the FY 2026-2027 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

It is crucial that Ohio invests in high-quality services

METROPOLITAN AND REGIONAL AFFAIRS

and supports, including early care and education, for Ohio's youngest children and their families. Evidence-based interventions during early childhood create a strong foundation for lifelong success, helping to reduce the need for expensive interventions later, including in our costly juvenile and adult corrections systems. Building an environment that fosters this success also includes keeping families together by providing parents and adults with economic and social supports.

For more information, please consult the **Human Services** section of this document.

High Quality Preschool

Several metropolitan counties are providing resources to promote county-wide access to high quality preschool. Many counties are working with 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 possible. Studies show that:

- 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, and additional appropriations were made in the following budgets. In the FY 2024-2025 budget, the Ohio Department of Development's Lead Safe Ohio Program made \$95 million in ARPA funds available to support lead abatement services in residential properties, congregate care settings, and childcare facilities constructed before 1978. Continued investment in this program is vital to continue progress toward a lead-free environment.

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.



The Hamilton County Commissioners invested ARPA funding to create the 513Relief Bus to provide resources directly to those who need it most and ensure health and social services are more effectively provided to county residents.

TAXATION & FINANCE

Chair: Gary Scherer Pickaway County Commissioner

Vice Chair: Steve Davis, Fairfield County Commissioner

Staff: Nick Ciolli, Research Analyst

The committee thanks the General Assembly for its continuing support of counties through jail funding, indigent defense, and economic development, and looks forward to a dialogue about taxation and finance issues in 2025 - 2026. Counties have identified five issues as priorities for the 136th General Assembly:

- Reform the state's property tax system.
- Preserve the sales tax base from further erosion.
- Extend the sales tax to small hotels and Airbnbs.
- Ensure reporting and correct property valuations in real estate transactions using LLCs or other pass-through entities.
- Increase renewable energy PILOT payments.

COMMITTEE PRIORITIES

Reform the Property Tax System

In 2023, 41 counties experienced a property tax reappraisal or update. Twenty-four counties will follow in 2024. Residential property tax valuations have skyrocketed at unprecedented rates in recent years and the housing market continues to have limited supply of both existing and new homes. In addition to improving the homestead property tax credit for seniors and disabled homeowners, CCAO urges the state to take the following reforms to address this situation:

- The county auditor should have the final authority to determine valuations in a reappraisal process, subject to the approval of the county board of revision. The state tax commissioner should be allowed to appeal the auditor's decision to the board of tax appeals.
- The county auditor should have the authority to use a 3-year average of comparable sales to determine valuation for a reappraisal or update.
- The school district "20-mill floor" should be abolished because it undermines the H.B. 920 framework that otherwise limits revenue

increases for voted levies. School district levies subject to the floor act in the same manner as inside millage and will capture the entire growth from increased valuation. The legislature should limit the ability of school districts to convert inside millage to support permanent improvements. State requirements for local funding contributions should take into account revenues raised by school income taxes and all types of levies, including emergency levies.

Preservation and Improvement of Property Tax Credit Programs for Taxpayers

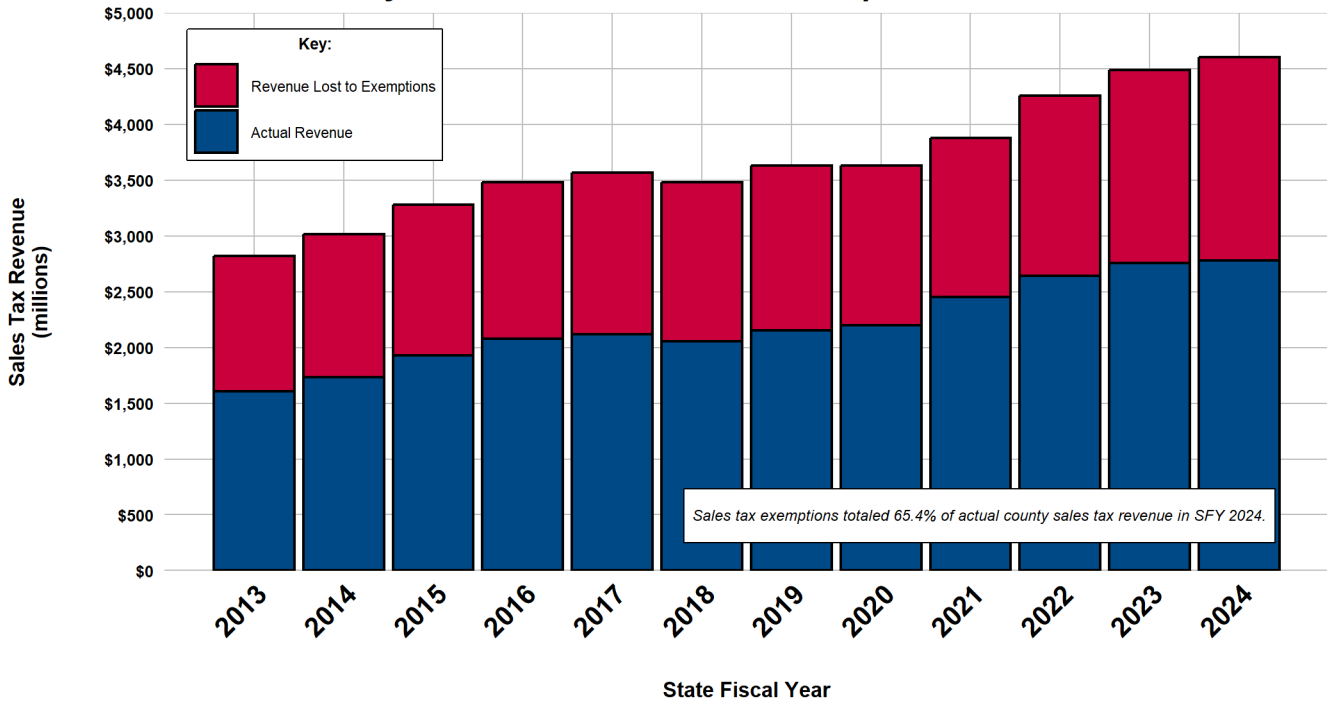
CCAO opposes efforts to further reduce in scope or eliminate the current state-funded property tax relief programs, including the 10% non-business credit, the 2.5% owner occupied credit, and the homestead exemption program. Given the large increases in property values in recent years, CCAO supports improvements in the homestead exemption program for low-income senior and disabled homeowners.

CCAO also supports legislative consideration of (1) a property tax "circuit breaker" program that limits payments to a specified percentage of household income; and/or (2) a property tax deferral program that allows the state to pay a portion of a recipient's tax bill in return for the creation of a lien on the home that will be extinguished when the house is sold or transferred. Like the homestead credit, the legislature will need to establish appropriate limits on age, income, or home value to make the program fiscally sustainable.

Public Utility Personal Property Taxes

From 2005 to 2008, the state 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.

County Sales Tax Revenue and Exemptions, SFY 2013-2024



Source: Ohio Department of Taxation

Sales tax exemptions reduced county revenues by an estimated \$1.8 billion in SFY 2024, or about 65.4% of the revenue counties actually generated through the sales tax. As the state continues to assign more responsibilities to counties, the sales tax base must be preserved to ensure counties can provide services to Ohioans across the state.

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.

The scope of the public utility tangible personal property tax should be clarified so that pipeline companies that transport gasoline and natural gas liquids (NGL) are subject to taxation. R.C. 5727.01(D) (5) specifies that the transportation of natural gas, oil, and coal and its derivatives are subject to taxation, but is silent on the treatment of other products.

Preserve the State / County Sales Tax Base

CCAO urges the Administration and the General Assembly to preserve Ohio's sales tax base. CCAO opposed legislation passed by the 134th General Assembly that exempted employment and employment placement services from the sales tax. This change has cost counties and transit authorities approximately \$40 million each year.

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, R.C. 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.

TAXATION AND FINANCE



Former Shelby County Commissioner Tony Bornhorst, former Union County Commissioner David Burke, and Logan County Commissioner Michael Yoder each testified to the 135th General Assembly's Joint Committee on Property Tax Review and Reform to share the county perspective on property tax issues, including the growing issue of real estate transactions using LLCs.

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

The General Assembly should also consider extending the lodging tax and sales tax to permanent campgrounds to offset the costs of county services.

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.

Closing the LLC or pass-through entity loophole has become more important given the passage of H.B. 126 by the 134th General Assembly. H.B. 126 limits the ability of schools and other taxing districts to use the board of revision process to challenge the valuations of properties they do not own. This change makes it even less likely that the auditor will be made aware of transactions using LLCs.

CCAO supports legislation to 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.

Renewable Energy Pilot Payments

Ohio is experiencing increased interest from renewable energy developers and the passage of S.B. 52 gives commissioners authority over the location of projects in the county. With the increased activity in this area, the legislature should modernize the law governing payments in lieu of taxes (PILOT payments) for renewable energy projects (R.C. 5727.75).

Current law gives commissioners the authority to approve PILOT payments for wind, solar, and other types of renewable energy projects. Generally, these payments are limited to \$9,000 per megawatt of nameplate capacity. This limit was set in 2010 and has not been revised. CCAO supports increasing the payment amount and 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.

Current law exempts a CAUV parcel that is converted

to a renewable energy project from paying the recoupment charge under R.C. 5713.34. CCAO recommends changing the law to apply the standard recoupment payment in order to ensure fairness for all types of non-agricultural uses.

COMMITTEE RECOMMENDATIONS

Competitive Bidding

H.B. 33 of the 135th G.A. increased the competitive bidding threshold to \$75,000 with automatic annual adjustments starting in 2025. Larger counties should be permitted to waive performance bond requirements on construction projects that do not exceed \$250,000.

Support Full Restoration of the Local Government Fund to 3.68 Percent of State GRF Tax Revenue

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

The LGF represents the most critical element of state assistance to counties. In most counties, the LGF is one of the largest individual sources of income to the county general fund. The concept of sharing the major state taxes with local governments should be retained. Counties use LGF funding to pay for a variety of otherwise unfunded mandates. Over the past two decades, the Local Government Fund has undergone several waves of freezing and cuts.

Since 2001, the LGF has undergone the following changes:

- July 2001 to January 2008: The LGF was cut and frozen for 6.5 years, resulting in a \$644 million loss to local governments and an equivalent gain to the state GRF.
- 2008: With the support of local governments, the LGF is put back on a percentage of tax receipts formula (3.68% of state GRF).
- 2008 to 2009: LGF distributions decline by \$100 million (or 14%) due to the impact of the Great Recession on state GRF revenues.
- FY 2012-2013: State budget reduces the LGF by roughly 50% over the biennium.

- FY 2014-2015: The LGF was put back on a percentage of tax receipts formula (1.66% of state GRF).
- FY 2020-2021: The state operating budget temporarily increases the share of state GRF tax receipts to 1.68%, but the percentage fell back to the statutory 1.66% at the end of the biennium.
- FY 2023-2024: The state operating budget increased the share of GRF tax receipts to 1.70% in permanent law, and raised the minimum annual distribution to \$850,000 for the smallest counties.

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.

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,

TAXATION AND FINANCE

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.

Given the substantial increases in construction inflation in recent years, CCAO supports annual adjustments to the motor fuel tax indexed to the rate of inflation. CCAO opposes efforts to decrease state funding to counties and other local governments because more federal funds are available through the federal Bipartisan Infrastructure Law.

Water and Sewer Infrastructure

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, both of which occurred in the 2010s, illustrated the challenges that our aging infrastructure is facing to adequately provide quality drinking water for our citizens and businesses that rely on water.

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. The designation of \$250 million in ARPA funding for water and sewer projects in H.B. 168 of the 134th General Assembly was an important step forward. Increased federal funding over the next five years from the Bipartisan Infrastructure Law will help to address the shortfall, but it will not be sufficient.

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.

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.

THE PROLIFERATION OF SPECIAL REVENUE FUNDS AND EARMARKING OF FEES REMOVES EFFECTIVE OVERSIGHT OF PUBLIC DOLLARS.

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 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 a fund 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 the public and 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 policies 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 while ensuring that Ohio maintains a competitive advantage.
- 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 from 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 than they are expected to receive under the current tax structure. The ad-valorem tax formula should establish different 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

TAXATION AND FINANCE

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.

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. Any change in allocation of the gross casino revenue tax should only occur pursuant to another constitutional amendment.

The constitutional language clearly prohibits 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.

Developmental 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 streams 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 require counties, subject to public notice and comment laws, 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 (R.C. 2303.20) were last increased in 1992, and probate court fees (R.C. 2101.16-17) 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 ensuing 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.

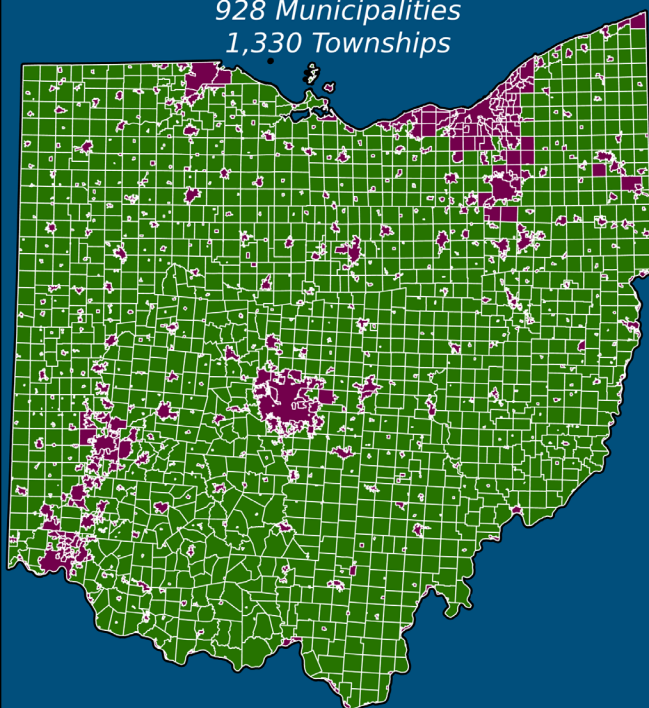
Local Government Fund Estimates

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

Non-County Local Governments

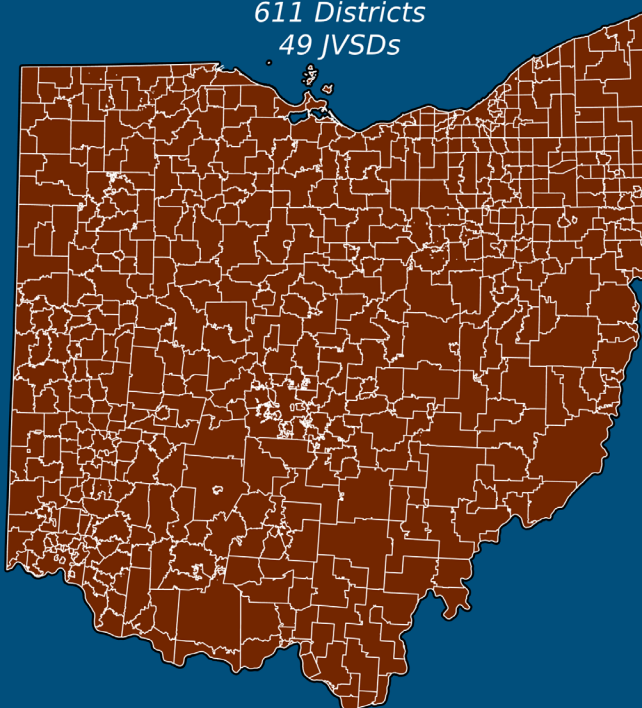
Municipalities and Townships

928 Municipalities
1,330 Townships



School Districts

611 Districts
49 JVSs



CCAO opposes any effort to extend the authority to levy local sales taxes to school districts or other political subdivisions. Expanding sales tax levying authority could create up to an addition 2,900 sales tax levies. This would only harm Ohio's growing reputation as the best state to do business and would cause confusion for taxpayers.

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 ensure that R.C. 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 R.C. 4123.41, which pertains 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 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.

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.

TAXATION AND FINANCE

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. 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.

Vendor or Consumer Sales Tax Refunds

Consumers and 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 R.C. 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 (R.C. 5739.07(D) and R.C. 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 (R.C. 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 and waiving the interest due for refunds that resulted from a vendor's mistake.

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.

Ensure that Sales Tax Revenues are Sourced Correctly

Sales tax on transactions made within Ohio are "origin-based," i.e., dependent on the location of the vendor. Ohio sales tax law permits vendors to file their remittance with the Department of Taxation on

a consolidated basis if the vendor has multiple locations. Audits of these consolidated filers should ensure that sales are being sourced to the correct county. County commissioners should have formal authority to request an audit

when there is doubt that a vendor is following correct procedures.

Port Authority Sales Tax Exemption

Occasionally, port authorities will cross county lines without notification or permission of the board of commissioners in the county where the project is being built. In these situations, the port authority should be required to seek the approval of the board of commissioners where the project is located before offering sales tax exemptions on construction materials.

**GENERAL TAX DOLLARS SHOULD NOT
SUBSIDIZE FUNCTIONS THAT BENEFIT
USERS OF SPECIFIC SERVICES. CCAO
SUPPORTS A REVIEW OF USER FEES TO
REFLECT THE COST OF DOING BUSINESS.**

Indirect Costs

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.

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 \$0.50 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 R.C. 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.

TAXATION AND FINANCE

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.

Presentation 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 and designate the county auditor as the appointing authority of the tax map draftsman and other tax map office employees. Counties should be

empowered to consolidate of tax map office services and geographic information system 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

Taxing districts should be prohibited from submitting tax levies at special elections in August.

Payment of Lodging Taxes

Legislation should be enacted 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.

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 (R.C. 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.

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 as 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 *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.

H.B. 33 of the 135th General Assembly created an income-based formula for the valuation of federally subsidized rental properties. The law has the benefit of requiring owners to report data to the county auditor in a timely fashion or face the prospect of the auditor using market valuations. CCAO will monitor the implementation of this new law in the coming years. 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 2029 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.

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.

WATER QUALITY TASK FORCE

Co-Chair: Pete Gerken, Lucas County Commissioner

Co-Chair: Beth Seibert, Allen County Commissioner

Staff: James Kennedy, Policy Analyst



In 2023, CCAO hosted a joint meeting of the Agriculture and Rural Affairs Committee and the Water Quality Task Force, where Director of Agriculture Brian Baldridge, Lake Erie Commission Executive Director Joy Muliex, and OEPA Director Anne Vogel discussed the H2Ohio program and other important issues facing Ohio's agriculture sector.

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

Ohio faces significant 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 and in algae development on the Ohio River, in failing home septic systems, 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.

The state's water quality challenges are primarily driven by excess nutrient loading from both point source and non-point sources of nutrients. Improving water quality is a complex challenge, and progress should be viewed on an appropriate time horizon.

Ohio's counties operate at the nexus of many programs and industries that impact water quality across the state. Counties are home to soil and water conservation districts and OSU Extension, which provide assistance to agricultural producers

to manage non-point nutrient losses that help fuel HAB development. Counties also own and operate waste water treatment facilities which undergo strict compliance with water quality standards. Additionally, counties are the site of many industries that impact water quality, including agriculture, that are key drivers of the state's economy. Counties wish to see Ohio with abundant clean water alongside thriving industries. This is possible through investments and partnerships in several key areas.

COMMITTEE PRIORITIES

Water Quality Challenges and Goals

Ohio's water quality challenges are multifaceted. Excess nutrient loading, particularly of phosphorus, into waterways is the primary fuel for HAB development. Excess nutrients come from many sources: agricultural runoff, failing home sewage treatments systems, combined sewer overflows, disposed dredge material, industrial discharge, and discharge from wastewater treatment facilities all contribute to nutrient pollution affecting Lake Erie and other waterways. Changing weather patterns featuring more frequent heavy rain events exacerbate the transmission of these nutrients to Ohio's waterways.

In response to these challenges, Ohio should lead the way to accomplish a 40% total load reduction in the

amount of total and dissolved reactive phosphorus by 2030. At the end of 2030, CCAO will reevaluate the effectiveness of the H2Ohio Program and its impact within the Western Lake Erie Basin. 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.

Role of Agriculture

The agricultural community has a significant role to play in reducing non-point source nutrient loading into the Western Lake Erie Basin. Ohio's agriculture industry has strongly supported nutrient best management practices, such as incorporating the 4-R's – the right fertilizer, the right rate, at the right time, in the right place. Other helpful tools like nutrient management plans, cover crops, manure management, and soil testing are all promoted by the agriculture industry. CCAO applauds the producers who make water quality a priority on their operations.

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.

While there are many responsible agriculture producers, there must be a continued emphasis on those producers who do not utilize best management practices or make the protection of water quality a priority on their operations. All agricultural producers, including both livestock and crop producers large and small, 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 subject to regulation.

CCAO also encourages the Ohio Department of Agriculture (ODA) 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. While larger

permitted Concentrated Animal Feeding Operations (CAFOs) are regulated by the state, smaller operations see far less state oversight. CCAO asks ODA to evaluate the permitting process. CCAO is supportive of providing ODA the necessary funds to complete these monitoring activities. We believe that any extra funding ODA may receive should be used to hire additional CAFO inspectors. CCAO also supports future research regarding phosphorus, as well as implementing procedures based on sound science as applicable with an evaluation.

Water Quality Improvement Funding

CCAO supports the H2Ohio program and funding for this key initiative should be continued and expanded by the General Assembly. H2Ohio invests in farmers who utilize nutrient best management practices on their operations. The program also supports wetland construction projects and local water and sewer infrastructure to improve water quality across the state.

The H2Ohio program has attracted a broad interest from agricultural producers. To date, more than 2,600 agreements have been signed by producers to implement nutrient management best practices on Northwest Ohio farm fields. These commitments represent 1.8 million acres that are now enrolled in voluntary nutrient management plans, or approximately 36% of the farmland in the Western Lake Erie Basin.

The Ohio Department of Natural Resources (ODNR) has 183 wetland projects either completed or in contract while receiving an investment of \$147 million through H2Ohio. The continued support for wetland projects has caused more excess sediments and nutrients from heavy rainfall events to be captured. When these substances are not captured, they flow into Ohio's water system as runoff and can lead to algal blooms.

The Ohio Environmental Protection Agency (OEPA) uses H2Ohio funding throughout the state to focus on addressing failing home sewage treatment systems, replacing lead service lines, and funding water and sewer infrastructure projects. The OEPA has awarded more than \$33 million for these projects in FY 2024-2025.

With funding for the H2Ohio program drawn from the state General Revenue Fund, the long-term future of

WATER QUALITY TASK FORCE

the program remains uncertain. CCAO encourages state lawmakers to find sustainable ways to provide the necessary resources to continue these vital efforts. Addressing Ohio's water quality challenges requires a consistent state commitment and a recognition that investments may take years to bear results.

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. Best management practices that prove successful should continue to be supported, but those decisions must be driven by data.

Lake Erie Total Maximum Daily Load

In March 2018, OEPA deemed the open waters of the Western Lake Erie Basin to be impaired. Traditionally, an impairment designation leads to the creation of a Total Maximum Daily Load (TMDL) under the federal Clean Water Act. The DeWine administration later announced it would begin the process for developing a TMDL for Western Lake Erie in February 2020.

Work on the preliminary modeling results, which provide the data basis for the TMDL document, continued through summer 2022. On June 30, 2023, OEPA submitted the Maumee TMDL for approval to the U.S. Environmental Protection Agency (USEPA). On September 28, 2023, USEPA announced its final review and approval of the TMDL.

The objective of a TMDL is to determine the loading capacity of a waterbody and to allocate the load among different pollutant sources. A TMDL will identify the links between the waterbody use impairment, sources of impairment, and the pollutant load reductions needed to meet the applicable water quality standards.

A primary consideration regarding any TMDL is the potential enforcement activities to ensure compliance. The TMDL document itself will provide little in terms of enforcement authority over non-point nutrient loading. Many of the enforcement decisions remain in the jurisdiction of the General Assembly.

CCAO recognizes that there are strong sentiments regarding TMDL enforcement actions from a multitude of perspectives. A number of counties are heavily reliant on Lake Erie for tourism, recreational,

and drinking water purposes. Many counties are also reliant upon production agriculture to power their local economies. Agriculture could potentially be subjected to increased regulatory oversight due to TMDL enforcement actions. CCAO seeks to achieve a balance where TMDL enforcement can lead to cleaner water while still allowing key industries to thrive.

CCAO believes that the TMDL process should be followed up with appropriate enforcement actions on the proper actors. These actions should reflect the contributors of nutrient loading while considering the unique circumstances of specific industries and individuals. Enforcement should be impactful enough to drive improvement in those who do not make water quality a priority.

Regulatory actions should be data-driven and take into consideration the respective size of the nutrient loading contribution, previous actions taken to mitigate nutrient loss, and the estimated cost of compliance.

TMDL enforcement could have a significant impact on agricultural producers, landowners, businesses, and 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.

NPDES Permitting

Counties have a strong interest in seeing the National Pollutant Discharge Elimination System (NPDES) permitting authority remain at the state level. NPDES permits are a primary tool to enforce point source pollution prohibitions under the federal Clean Water Act. CCAO believes that state administration of the NPDES program best allows for local input and tailoring of permits to meet the needs of local communities while still upholding environmental protection standards. CCAO maintains that OEPA should thoroughly and fairly administer the NPDES program.

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.

Recent budget cycles have brought welcomed support for SWCDs. State assistance to county SWCDs had previously fallen as low as 71 cents for every local dollar invested. Over the first two budget bills during the DeWine-Husted Administration, state investment in SWCD has moved to approximately a 91% match. CCAO would like to see a 110% match from the state for funding to SWCDs. These investments should be sustained to ensure that all portions of the state have the necessary SWCD resources available to address the unique challenges of their counties.

SWCDs play an important pollution abatement role, with staff required to respond in a quick and timely fashion to pollution complaints. CCAO advocates for funding for staff personnel, especially in counties that have significant livestock numbers.

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

Water Infrastructure Bonding and Funding

As owners of regulated and permitted publicly-owned treatment works, counties and county sanitary engineers have been working with the 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 greater funding support for governments and citizens confronted with OEPA findings and orders to install or upgrade water and sewer systems.

Counties look forward to working with OEPA as nearly \$1.4 billion in federal funding is made available through the federal Infrastructure Investment and Jobs Act. These resources will be allocated across the state to improve drinking and wastewater systems as well reduce water contaminants and lead exposure.

CCAO strongly supported the state's investment of \$250 million in state American Rescue Plan funds into local water and sewer systems as part of H.B. 168 of the 134th

The Rainbow Run Wetlands Project is an H2Ohio-funded project in Clark County that is restoring five acres of wetlands. The restored wetlands will provide a natural capture point for nutrient runoffs.



WATER QUALITY TASK FORCE

General Assembly and the additional investment of \$124 million as part of H.B. 33 of the 135th General Assembly. CCAO encourages the General Assembly to fund an additional round of grants, as the requests from the first round exceeded \$1 billion.

CCAO ENCOURAGES THE GENERAL ASSEMBLY TO FUND ADDITIONAL GRANTS FOR LOCAL WATER AND SEWER SYSTEM IMPROVEMENT GRANTS.

research and education aimed at maintaining the health of Lake Erie. CCAO 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

CCAO urges that USDA Rural Development allow for refinancing of existing water and sewer loans to allow local communities to save millions in interest payments. A similar ability was provided in recent years to Ohio Water Development Authority loans. Additionally, consideration should be given to bond-funded improvements as a vehicle for clean water improvement efforts.

CCAO has additional positions related 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 by the scientific community concerning 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 not be limited to phosphorus alone, however. The role that excess nitrogen plays in algal bloom development, specifically bloom toxicity, is under studied and deserves additional attention.

CCAO supports more state funding for Ohio's research centers to study water quality issues. Specifically, CCAO would like to see funding to help evaluate how microplastics can impact human health and aquatic life within Lake Erie. We also support funding to help address the emergence of perfluoroalkyl substances (PFAS) in drinking water.

Heidelberg University's National Center of Water Quality Research, University of Toledo's Lake Erie Center and Ohio State University's Sea Grant program (including OSU's Stone Lab) are on the forefront of water quality

maximize their impact on water quality and other challenges.

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.

Water Quality Credit Trading Programs

Credit trading is the concept of investing dollars from publicly owned treatment works to pay individuals 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 can be more cost-effective and provide broader environmental benefits than just technical or structural 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 options for municipal separate storm water systems in Ohio.

Septic Systems

OEPA should use its enforcement authority under R.C. 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 that practice should be expanded upon going forward.

ODH SHOULD IMPOSE MORE STRINGENT STANDARDS WHEN PERMITTING HOME SEWAGE TREATMENT SYSTEMS THAT CONTRIBUTE TO PHOSPHORUS POLLUTION IN OHIO’S WATERWAYS.

Applicator Program and New Agricultural Regulations

With the enactment of S.B. 150 of the 130th General Assembly, which established the fertilizer applicator certification program, and S.B. 1 of the 131st General Assembly, which prohibited applying fertilizer and manure on frozen or saturated ground, ODA needs to constantly evaluate to ensure these regulations and programs are effective.

Great Lakes Restoration Initiative Funding

CCAO has fully supported the Great Lakes Restoration Initiative (GLRI) Action Plan since its creation in 2010. The GLRI has used \$3.7 billion to restore and to protect wildlife and water quality within the Great Lakes region. Approximately \$260 million has been spent within Ohio to date, with a focus on toxic pollution, reduced runoff from cities & farms, combated invasive species, and restored fish and wildlife habitats. CCAO encourages future funding authorization to the GLRI which will help continue efforts to protect Ohio’s waterways.

Convening Counties around the Great Lakes

Through the Fresh Water Institute (FWI), Cuyahoga County is a catalyst and a convener to strengthen our region’s culture of freshwater stewardship. The FWI builds upon a foundation of education and community science: defining, supporting, and connecting stakeholders to current and future workforce opportunities in the “blue economy” and advocating for freshwater stewardship and access.

Our region has a history of advancing local and national policies that protect our water resources and provide environmental justice and equity to our communities. The FWI will build upon this legacy as a convener and catalyst for water stewardship, advocacy and access.

In partnership with the National Association of Counties, Cuyahoga County’s FWI will convene partners to advocate for priority policies to improve water quality and freshwater ecosystems related to pollution prevention and the development of blue economy jobs and workforce.



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