STATEHOUSE REPORT

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209 East State Street • Columbus, Ohio 43215-4309
Phone: 614-221-5627 • Fax: 614-221-6986 • www.ccao.org

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Overview of CCAO advocacy efforts on budget provisions

This week, the Senate adopted its omnibus amendment for House Bill 33, the state's operating budget and passed the budget on Thursday by a party-line vote of 24-7. CCAO expects the House to decline on concurrence to the changes made in the Senate, setting up a conference committee. The conference committee is the last step in the budget process where the legislature can make changes to the bill, so this is the last chance to advocate for changes.

The following is where CCAO stands on the Association's three main priorities. Please share this information with your legislators to let them know what changes CCAO is seeking in the conference committee.

Indigent Defense

Indigent defense is funded out of the State Public Defender's budget. Reimbursement for indigent defense costs is currently funded at $190.0 million in FY 2024 and $195.8 million in FY 2025 across the two appropriation line items that are used to reimburse counties. This level of funding is estimated to result in a reimbursement rate of 90% over the biennium, other factors remaining constant. However, a change in certain driver's license reinstatement fees in the Department of Public Safety's budget will result in a decrease of more than $1 million in each fiscal year from the total available for reimbursement.

CCAO is seeking an increase in reimbursement funding by $10 million in each fiscal year and a restoration of the $1 million that will be lost due to the license reinstatement fee change.

CCAO is also seeking a restoration of House-Passed language regarding a temporary reimbursement cap and House-Passed language regarding allowing additional counties to contract with the state. CCAO asks those provisions, with amendments to make both more equitable, be added back into the budget.

County Jail Funding

Funding for county jail construction and renovation projects comes out of the Department of Rehabilitation and Corrections' budget. In the Senate-Passed version of the bill, $75 million in FY 2024 is made available for projects. While this is an increase compared to the executive budget proposal ($25 million in each fiscal year for $50 million total), it is a decrease compared to the funding provided in the House-Passed version of the bill ($100 million in each fiscal year for $200 million total).

CCAO is seeking an increase in the funding available for county jail construction and renovation to the House-Passed levels of $100 million in each fiscal year. This is an increase of $25 million in FY 2024 and $100 million in FY 2025.

Local Government Fund

The Local Government Fund is largely governed by provisions in the Department of Taxation's budget. The executive proposal increased the percentage of state general fund tax revenue distributed through the LGF from 1.66% to 1.70%. That percentage increase was not altered in either the House or the Senate. Additionally, the House included provisions increasing the minimum a county undivided local government fund can receive to $850,000 and added a requirement that the county budget commission in counties that utilize an alternative distribution formula to meet at least once every five years to review the formula. There are no differences between the House-Passed and Senate-Passed versions with respect to the LGF. While CCAO will continue to push for an increase in the LGF percentage, the agreement between the executive proposal, the House-Passed version, and the Senate-passed version makes it unlikely the Conference Committee will make significant changes to this provision.

While indigent defense, county jail funding, and the Local Government Fund are CCAO's top priorities in the budget, there are other items that CCAO has advocated for during the budget. A brief summary of these follow, presented in no particular order.

Next Generation 9-1-1

Funding for Next Generation 9-1-1 is contained in the Department of Administrative Services budget. All three versions of the budget include funding for rollout of the Next Gen 9-1-1 system, but only the House-Passed version includes a much-needed user fee on certain devices to fund ongoing operations of the system. ***CCAO is asking that this $0.64 user fee be added back into the budget.***

County Credit Cards

The Senate-Passed version includes language that allows county credit cards to be used for any work-related expenses that serve a public purpose. This is an expansion of more limited language that was included in the House-Passed version. ***CCAO is asking for the Senate-Passed language remain part of the bill.***

Competitive Bidding

The House-Passed version included language increasing the competitive bidding thresholds for local governments to $75,000 in FY 2024 and an additional 3% each year thereafter and increases the maximum allowable difference between a cost estimate and the contract price from 10% to 20%. The Senate-Passed version retains these provisions and adds clarifying language that the provisions do not apply to state entities or state contracts. ***CCAO is asking that the Senate language remain in the bill.***

August Special Election

The Senate-Passed version includes a $16 million appropriation from the Secretary of State's budget to fund a special election to be held on August 8, 2023. This language was not in either the executive version or the House-Passed version. ***CCAO asks that this funding remain in the bill.***

Electronic Pollbooks

The House-Passed version included language allowing counties to be reimbursed for purchased and leased electronic pollbooks and ancillary equipment, an expansion of what counties may be reimbursed for under existing law. The House also added language that requires the reimbursements be paid to the county board of elections rather than the county general fund. The Senate made no changes to these provisions. ***CCAO is asking that the reimbursements be paid to the county general fund rather than the county board of elections.***

Expanded Sales Tax Holiday

The Senate-Passed version included language creating, in August 2024 and potentially each August thereafter, an expanded sales tax holiday. The August 2024 expanded holiday is to last at least fourteen consecutive days. The state Tax Commissioner and the Director of the Office of Budget and Management must consult with CCAO when determining the full length of the August 2024 holiday and any future holidays. The Senate-Passed version includes language that requires a newly created fund be used to reimburse foregone revenue from the holiday to the state GRF, the Local Government Fund, the Public Library Fund, and the Permissive Tax Distribution Fund (the fund through which the Tax Department distributes county and transit authority sales tax revenue to the taxing entity). ***CCAO is asking that language ensuring that counties, transit authorities, and the LGF are reimbursed for foregone revenue remain in the bill.***

Replacement Property Tax Levies

The House-Passed version eliminated the authority for governments with property taxing power to levy replacement levies. This levy type generally allows for a taxing unit to “reset” the effective millage of levy without passing an increase levy. The Senate-Passed version removed this language. ***CCAO is asking that the Senate-Passed version remain and taxing entities retain the ability to utilize replacement levies.***

Healthy Aging Grants

The executive budget included a $40 million appropriation of state-level ARPA funding to provide one-time grants to improve the quality of life for seniors so they can remain in their homes. The House-Passed version retained this language and clarified that the grants will be provided to the board of county commissioners (or, in charter counties, the county executive and county council). The Senate-Passed version eliminates this appropriation. ***CCAO is asking that the House-Passed appropriation and governing language be restored.***

County Board of Developmental Disabilities Appointments

The Senate-Passed version modifies language from the House-Passed version that that requires the board of county commissioners to appoint at least one individual with developmental disabilities and one individual who is a family member of an individual with developmental disabilities to serve on a county board of DD. The Senate-Passed version also specifies that if a senior probate judge appoints a person with developmental disabilities, that satisfies the board of county commissioners’ requirement to make the appointment. ***CCAO asks that the Senate-Passed version of the County DD Board appointment language be maintained.***

Brine Injection Well Fee

The House-Passed version includes language modifying the distribution of brine disposal fees collected by injection well owners on amounts received in excess of 500,000 barrels. Depending on where the well is located, either 100% of the fees would go to the county (if located in the incorporated area) or the county and the township should split it 50/50 (if located in the unincorporated area). The Senate-Passed version removes this language. ***CCAO is asking that the House-Passed language be readded to the bill.***

ADAMHS Boards Sizes
The Senate-Passed version includes language allowing county ADAHMS boards to have sizes of 9, 12, 14, 15, or 18 members (current law only allows sizes of 14 or 18 members). It also gives the board(s) of county commissioners two-thirds of the appointments and allows members be removed at will. There is no language pertaining to the size of ADAMHS boards in the executive proposal or the House-Passed version. ***CCAO asks that the Senate-Passed language remain in the bill.***

Appropriations Changes

- The Department of Development's Water and Sewer Quality Program (ALI 1956A1) is funded at $120 million in FY 24 in the Senate-Passed version, a $40 million decrease from the House-Passed version. ***CCAO asks that the House-Passed level of funding be restored.***
- Ohio Mental Health and Addiction Services item Criminal Justice Services (ALI 336422) is funded at $30 million in FY 24 and $21 million in FY 25 in the Senate-Passed version. The FY 24 figure is a $9 million increase compared to the House-Passed version. ***CCAO asks that the Senate-Passed level of funding be retained.***

Senate passes budget bill, provision summary

The prior article lists what some of CCAO's advocacy efforts are as the budget process moves to Conference Committee, its final legislative stage. This article provides a more in-depth look at the wide variety of county-related provisions.

Key Budget Provisions

Indigent Defense: The Senate bill does not modify the funding appropriation for reimbursement to counties for indigent defense costs, leaving it at $190.0 million in FY 2024 and $195.8 million in FY 2025 across the two appropriation line items that are used to reimburse counties; the $385.8 million over the biennium is an increase of about $67 million than has been provided during the current biennium. CCAO estimates that this level of funding will equate to a reimbursement rate of about 90%, with an additional $20 million needed in each year of the biennium to reach full reimbursement.

However, the Senate made changes to driver's license reinstatement fees which may result in a decrease of $1 million in each fiscal year to county reimbursement for indigent defense services.

The Senate also removed several other indigent defense provisions. First, it removed the provision that prioritized reimbursement to counties that contract with the State Public Defender so those counties receive 100% reimbursement, with other counties receiving reimbursement at the rate the appropriation allows. CCAO had sought to amend this provision to create a separate line item for the State Public Defender to use to directly administer the counties it contracts with. This amendment was not included.

Second, it removed the temporary reimbursement cap at the greater of $75 or the rate established by the county as of April 1, 2023. CCAO had sought to amend this provision to set the cap at $75 per hour for all counties. This provision would help control costs across counties so a rate change in one county will be less likely to consume an inordinate amount of the appropriation. The amendment was not included.

On a similar matter, although not strictly limited to indigent defense, the Senate removed the $250,000 in each fiscal year to reimburse counties for costs incurred in the prosecution of felonies that occur on the grounds of state correctional institutions operated by the Department of Rehabilitation and Correction.

Local Government Fund: The Senate did not increase the share of state GRF tax revenue that is distributed through the LGF from the House-Passed version of the bill, leaving it at 1.70% (an increase from the 1.66% level in current law).

The Senate retained two LGF reforms that CCAO worked to get included in the House: increasing the floor that a county undivided local government fund can receive from $750,000 to $850,000, helping to provide more resources to communities in small counties and requiring periodic review of the formulas used within counties if they utilize an alternate distribution mechanism to distribute local government funds to subdivisions. The county budget commission in each county that uses an alternative distribution method must review the method at least once every five years and give subdivisions the ability to provide feedback on the method.

Funding for County Jail Projects: The Senate decreased the funding for county jail construction and renovation from $100 million in each fiscal year over the biennium to $75 million in SFY 2024 which, while a decrease from the House level, is still an increase over what was included in the Governor's budget. The Senate also removed the funding formula that was in the bill, leaving the awarding entity as the Department of Rehabilitation and Corrections instead of the Ohio Facilities Construction Commission.

Next Gen 9-1-1 and MARCS: The bill includes historic support for the roll-out and operations of the Next Generation 9-1-1 system, through $46.0 million to fund the infrastructure needed to connect all counties to the NG 9-1-1 system. However, the Senate removed the $0.64 monthly user fee on certain devices to fund ongoing operations of the system. These provisions are similar to Senate Bill 50 which was recently favorably reported by a Senate committee, and CCAO believes the user fee will be added back during conference committee deliberations.

Other changes added by the House that are similar to Senate Bill 50 were also removed. These include repealing the authority for counties to impose additional monthly charges and terminating any existing charges placed on bills by counties, removing a provision allowing a county that currently levies a 9-1-1 property tax to replace the tax with a monthly charge on wireless subscribers and eliminating the requirement that counties have a 9-1-1 Technical Advisory Committee.

The Senate retained a $50.0 million appropriation over the biennium which will be used to pay for the subscription fees for the Multi-Agency Radio Communication System (MARCS) of local governments that wish to join MARCS but previously could not afford to do so. However, it moves the appropriation to a different line item which may cause difficulties in distributing funds to local governments.

Other Budget Provisions

The following are other county-related provisions that are in the Senate version of the bill, with key language relating to changes the Senate made in comparison to the House underlined and italicized. Provisions are grouped roughly by subject area.

<u>Health and Human Services</u>

Children Services: <u>*The bill maintains*</u> an increase of $25 million in FY 24 and $35 million in FY 25 for the state child protection allocation earmark, which directly funds placement costs and administration for children services at the county level. However, the Senate bill further decreases the line item that includes the state child protection allocation, which will result in cuts to other children services programs that are important to PCSAs. These programs and services could include Ohio START, Kinship Support Program, Kinship Guardianship Assistance Program, Ohio Bridges, prevention services, and efforts to grow the number of foster homes across the state.

Benefits Cliff Pilot Program: *The Senate includes* a program called the Benefit Bridge Employer Pilot Program that provides grants to eligible employers to provide incentives to employees who are on certain public assistance programs. *The Senate eliminates* provisions that would create the "A Hand Up" pilot program to assist program participants in transitioning into the workforce as they become ineligible for public assistance benefits.

SNAP Program Changes: *The Senate bill makes several changes* to the SNAP Program, including:

- Requires ODJFS to add color photos to SNAP EBT cards. Exempts from the photo requirement SNAP households without an adult member and SNAP households where all adults are either age 60 or older, blind, disabled, victims of domestic violence, or have religious objections to being photographed.
- Prohibits ODJFS from seeking an exemption from the SNAP work requirements that apply to able-bodied adults without dependents.
- Requires ODJFS to redesign its existing employment and training program in a manner that meets the needs of employers in the state.
- Creates the Employment Incentive Program and requires county JFS agencies to create individualized plans and incentives for adults who consistently increase their wages and who work at least 32 hours per week. Provides $1.5 million in funding for the program.
- Prohibits ODJFS from replacing the electronic EBT card of a household that requests four or more replacement cards within a twelve-month period unless certain requirements are met.
- Specifies that if a card is unused for a period of six months, ODJFS is required to deactivate the card and return the funds to the SNAP program. Specifies that ODJFS must provide the affected household with written notice of the intent to deactivate the SNAP EBT card before deactivating the card. Requires the written notice to include a specified cure period during which the household may use the card or notify ODJFS that the card is still in use.
- Requires an individual receiving SNAP benefits who is the subject of a child support order to provide their telephone number, home address, and work address to ODJFS, and specifies that an individual who fails to do so is disqualified from participating in SNAP.
- Prohibits an individual applying for public assistance benefits from knowingly falsifying information on an application for public assistance benefits and specifies that if a case worker determines that an applicant knowingly falsified information, the applicant is ineligible to receive public assistance benefits for six months.

Child Care: *The Senate bill reduces* the increase in the eligibility threshold to access publicly funded child care (PFCC) from 160% of the federal poverty level (FPL) to 145% FPL. The level in current law is 142% FPL.

Adult Protective Services: The bill increases the amount of funding for adult protective services administration and allocates $80,000 to each county for APS, an increase from the $65,000 allocation counties currently receive. *There is no change to this provision.*

Senior Services: *The Senate removed* the one-time ARPA appropriation of $40 million for Healthy Aging grants to help seniors stay in their homes as long as possible. These funds would have been provided to the boards of county commissioners (or, in Cuyahoga County and Summit County, the county executive and county council) to utilize.

Criminal Justice Services: *The Senate increases* funding for criminal justice services to $30 million per year in funding for criminal justice services, including psychotropic drug and medication assisted treatment reimbursement programs for county jails and funding for forensic center services. This is the same amount in the Executive version of the budget.

Continuum of Care Services: *The Senate bill restores funding in* continuum of care services resources for ADAMHS Boards.

ADAMHS Boards: *The Senate bill adds* language from Senate Bill 105 that would allow an ADAMHS Board to be comprised of 18, 15, 14, 12, or 9 members, instead of only 18 or 14. The bill gives county commissioners 2/3 of the board appointments and OMHAS 1/3 of the appointments. The bill retains the 6 categorical appointments currently required for ADAMHS Boards. The bill requires a board of county commissioner's comprehensive plan for withdrawal from a joint-county ADAMHS district to include additional information about the new district and its continuation of services and requires the OMHAS Director to approve the comprehensive plan within one year from the date the board adopts the resolution to withdraw.

Pediatric Behavioral Health Services: *The Senate bill includes* $48.8 million in ARPA funding to be used to support pediatric behavioral health workforce development, to support infrastructure improvements at health care facilities to improve access to pediatric behavioral health services, and to improve integration of behavioral health and primary care services.

Outpatient Competency Restoration Treatment in a Jail: *The Senate bill allows* a court that orders a defendant to undergo outpatient competency restoration treatment to commit the defendant to undergo the treatment at a jail, in addition to OMHAS, a facility certified by OMHAS, a public or community mental health facility, or a psychiatrist or other mental health care professional, if the jail contracts with one of those entities or professionals.

Children with Medical Handicaps: The Senate bill expands the Children with Medical Handicaps (BCMH) program to cover young adults aged 24 and 25 and provides $500,000 in each fiscal year to aid in the cost of that expansion. BCMH is also renamed in this budget to the Program for Children and Youth with Special Health Care Needs.

Medicaid Bold Beginning: *The Senate bill eliminates* funding to extend Medicaid coverage for children and pregnant women at up to 300% of the federal poverty level, potentially covering an additional 30,000 children and 3,500 pregnant mothers.

Medicaid Work Requirements: *The Senate bill requires* the Medicaid Director to apply for a new Medicaid work requirement waiver in November 2024.

Meaningful Employment of Medicaid Recipients: *The Senate bill requires* ODM, in collaboration with ODJFS, to establish a program to assist individuals enrolled in the Medicaid program secure meaningful employment.

County Boards of Developmental Disabilities Membership: *The Senate bill modifies language* that, beginning July 1, 2025, requires the board of county commissioners to appoint at least one individual with developmental disabilities and one individual who is a family member of an individual with developmental disabilities to serve on a county board of DD. The bill specifies that if a senior probate judge appoints a person with developmental disabilities, that satisfies the board of county commissioners' requirement to make the appointment.

Medicaid Rule for Paid Family Caregivers: *The Senate bill prohibits* ODM from adopting rules that permit a family member in the same household from receiving Medicaid payment for providing services to a minor child that are administered by a county board of developmental disabilities.

Department of Children and Youth: *The Senate bill maintains* the new Department of Children and Youth, which will be fully operational by January 1, 2025. The department would operate programs and services currently housed in six agencies including services related to services related to adoption, child care, foster care, child welfare, early childhood education, early intervention, foster care, home visiting, infant vitality, early childhood mental consultation, and preschool special education.

Economic Development

Competitive Bidding Thresholds: The bill increases the statutory competitive bidding threshold to $75,000 through CY 2024, with the threshold increasing by 3% annually thereafter. It further increases the allowable difference between a public improvement project's estimated cost and the contract price from 10% to 20%. *The only change made to these provisions was to clarify they do not apply to the state or state contracts.*

Brownfield Remediation and Demolition and Site Revitalization Grants: The bill appropriates funding for Brownfield Remediation grants and Demolition and Site Revitalization grants. The former is funded at $175 million in each fiscal year and the latter is funded at $150 million in only FY 2024.

The Senate added provisions requiring each county to have a lead entity to apply and receive grants for the county under each program. The lead entity is either the county land reutilization corporation (typically the county land bank) or an entity selected by the Director of Development from a list of recommendations made by the board of county commissioners.

Water and Sewer Quality Program: *The Senate bill reduces* the funding for Water and Sewer Quality grants from $160 million in FY 2024 to $145 million in FY 2024.

Broadband: *The Senate bill eliminates* a $267 million appropriation from the ARPA Capital Projects fund in FY 2024 for broadband projects.

The Department of Development's budget includes an FY 2024 appropriation of $105 million in federal funds for the Broadband Equity, Access and Deployment Program and a FY 2025 appropriation of $30 million will be made available from the Broadband Digital Equity Act Program. *There were no changes to these provisions.*

Broadband Pole Replacement and Undergrounding Program: The bill increases the appropriation used to support the Broadband Pole Replacement and Undergrounding Program to $50 million in FY 2024, with any remainder carrying over to FY 2025. The program is intended to reimburse providers of qualifying broadband service for pole replacements, installations, and undergrounding to accommodate increased broadband infrastructure. *The only change in this provision is the appropriation line item used.*

All Ohio Future Fund: *The Senate bill increases funding* for the All Ohio Future Fund, a program intended to help prepare the physical and human infrastructure needed to attract economic development projects to all corners of Ohio, from $500 million to $917 million.

Brine Injection Well Fee: *The Senate bill removes language* that eliminated the 500,000-barrel cap on fees associated with brine injection wells. This language would have allocated 100% of fees to the county where the injection occurred that is collected on barrels over 500,000 if the location occurred within incorporated land. If the land is unincorporated, the township will receive 50% and the county will receive the other 50% of fees on barrels over 500,000.

County Airport Improvements: *The Senate bill reduces* the appropriation for the Ohio Airport Grant Program from $12.5 million in each fiscal year to $10 million in each fiscal year. These funds will be used for capital improvement grants to publicly owned airports that do not receive FAA passenger or air cargo entitlements.

Taxation and Finance

Expanded Sales Tax Holiday: *The Senate bill creates an expanded sales tax holiday* in August 2024, creates a new fund, the Expanded Sales Tax Holiday Fund, and transfers $1 billion into the new fund.

The holiday will begin on August 1, 2024, and last at least 14 consecutive days (the exact length is to be decided upon by the Tax Commissioner and the Director of Budget and Management, in consultation with CCAO, after reviewing funding available). During the expanded holiday, all items of tangible personal property priced at $500 or less are exempted from state and local sales taxes (motor vehicles, watercraft, alcohol, marijuana, and tobacco and vapor products will still be subject to applicable taxes). The holiday will not affect the tax status of any services.

After the conclusion of the holiday, the Tax Commissioner will calculate estimates of the sales tax receipts foregone by the General Revenue Fund, the Local Government Fund, the Public Library Fund, and the Permissive Tax Distribution Fund (the fund through which county and transit authority sales tax revenue flows) and certify these estimates to the OBM Director. OBM then transfers, from a newly created Expanded Sales Tax Holiday Fund, the amounts to each fund.

In subsequent years, if the Expanded Sales Tax Holiday Fund has a balance of at least $60 million from year-end budget surplus revenue, an expanded tax holiday must be held "on and around" the first full weekend in August of the next state fiscal year. The expanded holiday in these subsequent years must be at least three days in length (with the length set in the same manner as any additional days in the August 2024 expanded holiday). The state GRF, LGF, PLF, and Permissive Tax Distribution Fund will be reimbursed in the same manner as the August 2024 expanded holiday. If the $60 million balance is not achieved, the state will continue to hold the "back to school" sales tax holiday under current law.

Property Tax Changes: The Senate bill makes several changes to property tax provisions included in the bill. These include:

- *Removing* the elimination of replacement property tax levy authority.
- *Removing* the provision that adjusts the homestead exemption amount with inflation.
- *Removing* language pertaining to the Tax Commissioner valuing federal subsidized rental housing.
- *Removing* language prohibiting electric utilities from requesting (and the Tax Commissioner from approving) a reduction in a power plant's tangible personal property taxable value of more than 7.5% compared to the prior year.

Other changes in the Senate substitute bill pertaining to property tax law include:

- *Prohibiting* the Tax Commissioner from weighing sales data of any year within the most recent three-year period greater than the other years when performing sales-assessment ratio studies.
- *Allowing* the Tax Commissioner to require county auditors to conduct additional appraisals if there is insufficient sales data to complete sales-assessment ratio studies.
- Allowing the second and third publication of impending property tax foreclosures to be made online. *There is no change to this provision.*
- Exempting the increased value of land in a subdivision for residential development that is due to improvements (these provisions are similar to that of House Bill 149 of the 133rd General Assembly). *The Senate added a provision that prevents the continuation of CAUV if the property is no longer used for agricultural purposes.*

Lodging Tax Changes: The Senate bill makes a small change to lodging taxation law provisions in the budget. These include:

- *Modifies* the permission of a county within a specific population range (tailored to apply to Hamilton County) to levy an additional 1% lodging to tax to fund the acquisition, construction, renovation, expansion, maintenance, operation, or promotion of a convention, entertainment, or sports facility by limiting the sports facilities that may receive funding from the tax to just those intended to house a Major League Soccer team. It also permits the same county to repurpose a portion of its revenue from existing lodging taxes for the same purpose.
- Allowing a county to use a portion of the revenue from its 3% lodging tax to fund public safety services in a municipality or township designated as a resort area (this functionally only applies to counties with Lake Erie islands as they are the only currently designated resort areas in the state). *There is no change to this provision.*
- Allowing a county with a population greater than 800,000 that levies a lodging tax, or a municipality in such a county that levies a lodging tax, to exempt wholly or partially from the lodging tax a hotel that has been designated as the "headquarters hotel" for a convention center. It allows the exempting government to require payments in lieu of taxes from the headquarters hotel equal to the amount of tax foregone, which must be used to finance facilities associated with the headquarters hotel. *There is no change to this provision.*

Sales Tax Exemptions: The bill exempts from the sales tax child diapers, reams, wipes, car seats, cribs, and strollers. LSC estimates the state GRF loss will be $10.7 million in FY 2024 and $16.0 million in FY 2025, with accompanying revenue loss to the LGF and counties. *There is no change to this provision.*

Agriculture and Water

H2Ohio: *The Senate reduces* funding H2Ohio to $270 million over the biennium, down from $307 million in the House-Passed version, and *eliminates* the $4 million earmark over the biennium for the creation of a water quality pilot program focused on the reduction of phosphorus levels within legacy phosphorus fields across the state.

County Agricultural Societies: *The Senate bill halves* the funding available to reimburse county and independent agricultural fairs for expenses incurred related to youth activities (this returns the appropriate item to the Executive level of funding) and *eliminates* a $25 million appropriation added by the House that was to be used primarily for making grants to county and independent fairs to increase fair access.

Soil and Water District Match Increase: *The Senate bill reduces* the two appropriation items in the Department of Agriculture's budget that provide funding to county soil and water districts, estimated to take the match rate from 91% to 83%.

Justice and Public Safety

eWarrant Local Integration Funding: *The Senate bill eliminates* the $2.5 million per year allocation for eWarrant Local Integration, which would be used to provide access to local law enforcement agencies from across the state to track the status of warrants.

RECLAIM Ohio: The bill funds the RECLAIM Ohio program at $195.0 million in FY 2024 and $196.0 million in FY 2025. *There is no change to this provision.*

Elections and General Government

County Credit Card Usage: *The Senate bill adds* language allowing county credit cards to be used for any work-related expenses that serve a public purpose.

County Engineer Qualifications: *The Senate bill eliminates* language removing the requirement that a county engineer be a registered surveyor and allows county engineers to contract with surveyors as needed.

August Special Election Funding: *The Senate bill adds* a $16 million appropriation to pay for costs associated with conducting a special election on August 8, 2023. However, R.C. 3501.17(F) requires the state to fully reimburse the cost of a statewide special election. If the $16 million dollars is insufficient to conduct the August special election, the state will have to transfer money to this fund and counties will be fully reimbursed.

Electronic Pollbooks: The bill makes small changes to reimbursement for e-pollbooks. First, it allows for reimbursement for leasing e-pollbooks instead of just reimbursement for purchases, and second it specifies that reimbursement for acquired e-pollbooks and ancillary equipment must be paid to the county board of elections rather than the county general fund. *There is no change to these provisions.*

Election Data Requirements: *The Senate bill requires* county boards of elections to create daily archives of voter registration databases and send them to the Secretary of State everyday between the 46th day before the election to the 81st day after the election, requires uniform fields for each registered elector in the Statewide Voter Registration Database, and requires the boards of elections to preserve all used and unused ballots from non-federal elections for at least 81 days after the election. *The Senate bill appropriates* $2.3 million for grants to county boards of elections to comply with these new requirements.

Ballot Box Recording Availability: *The Senate bill removes* provisions increasing the timespan within which a county board of elections must make each day's recordings of secure ballot drop boxes available online from within 24 hours of the video's end to 72 hours.

County Election Official Training: The bill provides a modest increase to the appropriation item created by the Controlling Board in 2021 that the Secretary of State uses to help support training provided to county election officials. *There is no change to this provision.*

County Recorder Technology Fund: The bill extends the dates that apply to county recorder technology fund from expiring on January 1, 2025, to January 1, 2030, and extends the period through which the county recorder may submit a second proposal for additional funding to the fund from October 1, 2023, to October 1, 2028. *There is no change to this provision.*

House passes HB 101, village dissolution bill, and HB 191, bail reform, during Wednesday session

During its Wednesday session, the House passed House Bill 101 (Representative Adam Bird and Representative Jean Schmidt), which makes changes to the law regarding village dissolution. During the committee process, House Bill 101 was amended to include a county commissioner on the three-person Transition Supervisory Board (along with the county recorder and the county auditor). CCAO provided proponent testimony on the bill, as did Clermont County Commissioner Bonnie Batchler. Commissioner Batchler was a Pierce Township Trustee when the Clermont County village of Amelia voted to dissolve. The rocky process that the residents of the former village experienced during the long dissolution was part of the impetus for the bill. The House passed the bill by a vote of 86-9.

The bill now moves to the Senate where it will likely be referred to either the Senate Government Oversight Committee or the Senate State and Local Government Committee.

Another bill of note that the House passed this week is House Bill 191 (Representative D.J. Swearingen and Representative Bill Seitz), which makes changes regarding bail and declaring an emergency. The bill passed unanimously, with the emergency clause (allowing the bill to take immediate effect) passing 92-2. There are only minor differences between House Bill 191 and Senate Bill 122 (Senator Nathan Manning and Senator Paula Hicks-Hudson), so a version of the bail changes will likely be agreed upon next by the end of the month so the changes can take effect by July 1.

If you have questions about House Bill 101, please contact Nick Ciolli at nciolli@ccao.org or 614-220-7978. If you have questions about House Bill 191 or Senate Bill 122, please contact Kyle Petty at kpetty@ccao.org or 614-220-7977.

Legislative Activity

Committee Hearings
The following committees also held hearings that included bills which may be of interest to counties:

House Agriculture
- House Bill 193 (Representative Kevin Miller and Representative Brian Lampton): To establish procedures and requirements governing biosolid lagoons and biodigestion facilities, including granting county and township zoning authority over those lagoons and facilities, and to modify the CAUV eligibility requirements for certain land used to produce biofuels.
    - First hearing, sponsor testimony

House Families & Aging
- House Bill 5 (Representative Sharon Ray and Representative Rachel Baker): To express the General Assembly's intent to modernize the adoption process.

    - Second hearing, proponent testimony from Adoption Network Cleveland, the Ohio Judicial Conference, the Ohio Association of Probate Judges, the Catholic Conference of Ohio, and two private individuals.

House Ways & Means

- House Bill 187 (Representative Thomas Hall and Representative Adam Bird): To modify the procedures used by the Tax Commissioner to conduct property tax sales-assessment ratio studies.
    - First hearing, sponsor testimony.
- House Bill 118 (Representative Nick Santucci and Representative Melanie Moller): To exempt certain baby products from the sales and use tax.
    - Fourth hearing, proponent testimony from the Public Children Services Association of Ohio, Nationwide Children's Hospital, and the Pregnancy Resource Center of Athens County.
    - **FAVORABLY REPORTED, 17-0**

House State and Local Government

- House Bill 153 (Representative Brett Hillyer): To limit which abandoned land may be subject to certain expedited foreclosure proceedings.
    - First hearing, sponsor testimony

House Transportation

- House Bill 201 (Representative Brett Hillyer and Representative Steve Demetriou): To prohibit a state agency, county, or township from restricting the sale or use of a motor vehicle based on the energy source used to power the motor vehicle and to prohibit a state agency from adopting the California emissions standards for motor vehicles.
    - First hearing, sponsor testimony

House Criminal Justice

- Senate Bill 122 (Senator Nate Manning and Senator Paula Hicks-Hudson): To make changes regarding bail and to declare an emergency.
    - First hearing, proponent testimony from Attorney General Dave Yost, the Buckeye Institute, the Justice Action Network, and Americans for Prosperity.
    - **FAVORABLE REPORTED, 13-0**
- House Bill 191 (Representative D.J. Swearingen and Representative Bill Seitz): To make changes regarding bail.
    - First hearing, proponent testimony from the Ohio Public Defender and Americans for Prosperity.
    - **FAVORABLE REPORTED, 13-0**

House Government Oversight

- Senate Bill 71 (Senator Theresa Gavarone): To enact the Data Analysis Transparency Archive (DATA) Act to establish the Office of Data Analytics and Archives in the Office of the Secretary of State and to modify requirements for the Statewide Voter Registration Database and other election records.
    - Second hearing, proponent testimony from the Ohio Secretary of State and interested party testimony from the Ohio Association of Election Officials and Secure Democracy USA.

Senate Government Oversight

- Senate Bill 91 (Senator Tim Schaffer): Regards fraud, waste, and abuse of public funds.
    - Fourth hearing, no testimony.
    - Received a substitute bill.

Introduction of Bills

The following bills that may be of interest to counties were introduced this week:

- House Bill 211 (Representative Jennifer Gross): To amend section 121.22 of the Revised Code to name this act the Free to Speak Act and to require a public body to permit members of the public to comment or testify about matters of public concern before the public body at its public meeting.

Upcoming Committee Hearings

The following committees are currently scheduled to meet and discuss bills that may be of interest to counties. Other committees will likely meet as well but as of press time for *Statehouse Report* they have not released agendas. Please note that these schedules are subject to change.

If you would like to offer testimony on any bill, please visit the committee page and contact the committee chair's office for instructions on how to submit testimony.

Tuesday, June 20

House Families and Aging (12:00 p.m.)

- House Bill 5 (Representative Sharon Ray and Representative Rachel Baker): To modernize adoption law.
    - Third hearing, all testimony
    - **POSSIBLE VOTE**

House Transportation (1:30 p.m.)

- House Bill 201 (Representative Brett Hillyer and Representative Steve Demetriou): To prohibit a state agency, county, or township from restricting the sale or use of a motor vehicle based on the energy source used to power the motor vehicle and to prohibit a state agency from adopting the California emissions standards for motor vehicles.
    - Second hearing, proponent testimony

House Ways and Means (2:30 p.m.)

- House Bill 187 (Representative Thomas Hall and Representative Adam Bird): To modify the procedures used by the Tax Commissioner to conduct property tax sales-assessment ratio studies.
    - Second hearing, proponent testimony

House State and Local Government (3:30 p.m.)

- House Bill 153 (Representative Brett Hillyer): To limit which abandoned land may be subject to certain expedited foreclosure proceedings.
    - Second hearing, proponent testimony
- House Bill 30 (Representative Latyna Humphrey): To require municipal and county correctional facilities and state correctional institutions to provide inmates experiencing a menstrual cycle with an adequate supply of feminine hygiene products.
    - Second hearing, no testimony
    - Possible amendments

- House Bill 145 (Representative Thomas Hall and Representative Brian Lampton): To expand political subdivision joint purchasing authority to expressly include purchases for construction services.
    - Third hearing, opponent testimony