STATEHOUSE REPORT

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Phone: 614-221-5627 • Fax: 614-221-6986 • www.ccao.org

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County Advisory Bulletins for operating budget, jail funding formula, credit card law published

This week, CCAO published three County Advisory Bulletins (CABs), all pertaining to House Bill 33, the state's operating budget. The first is CCAO's comprehensive budget analysis, examining the entire budget. The provisions are sorted by CCAO Standing Committee and include Revised Code citations. The intent of the Budget CAB is to provide an overview of all county-related provisions of the budget.

The other two CABs published this week focus on specific provisions of the budget. One provides an explanation of how the new funding formula for county jail projects functions and includes a simulation of the formula. This funding formula was included in temporary law and only applies to the $75 million allocated for jail projects in House Bill 33.

The other provision-focused CAB concerns the new credit card authority that counties received. The budget expanded how counties may use credit cards. The CAB, which was reviewed by the Auditor of State's office, the Athens County Auditor and the Mahoning County Auditor, explains the new authority and how it interacts with other provisions of procurement law.

Issue Spotlight: Commissioner authority to reduce or "rollback" inside millage

In the previous "Issue Spotlight" we introduced some property tax basics, including the concept of "inside millage," which is the first ten unvoted mills shared by schools and local governments in a county. Counties are guaranteed at least 2/3 of the average mills that were being collected between 1929 and 1933 under the former 15-mill limitation, before the constitutional amendment creating the 10-mill limitation took effect in 1934. In 2022, 86 counties collected inside millage. The average county had 2.5 inside mills in place, typically devoted to its general fund or debt service (for a list by county, click here).

From time to time, a county may decide that it is not necessary to collect some, or all, of its inside mills. The Revised Code allows a county to reduce its inside millage rate without having its allotment reallocated by the County Budget Commission to other local governments. This procedure is outlined in R.C. 5705.313 and restated in CCAO Handbook Chapter 14.

A board of county commissioners may voluntarily reduce the county's guaranteed inside millage for current expenses in two ways:

1. When a county is increasing its permissive sales and use tax it may adopt an accompanying resolution reducing inside millage (R.C. 5705.313(A)(1)).

OR

2. After a sales or use tax has been enacted and is in effect the commissioners may adopt a resolution reducing inside millage (R.C. 5705.313.(A)(2)).

Thus, in order to voluntarily reduce inside millage, commissioners must either be increasing the rate of a permissive sales tax or have a sales tax in effect. It does not matter whether the sales tax has been enacted under R.C. 5739.021 or R.C. 5739.026. Since all counties currently levy a permissive sales tax, the authority effectively exists for all counties.

Some counties have used the inside millage rollback when increasing a permissive sales tax rate as a tactic to garner support for the sales tax increase. Commissioners may now, however, reduce any number of inside mills at any time *as long as the reduction does not exceed the total estimated revenue from the sales and use tax*.

The Commissioners must adopt a resolution to reduce inside millage, with a copy certified to the county auditor, which includes the following:

1. The current inside millage rate.

2. The number of guaranteed inside mills, if any, that are currently not being levied as a result of previous rollbacks.

3. The number of inside mills that will be reduced.

4. The resolution may either specify the number of years the reduction will be in effect or may simply state that the reduction will occur until the commissioners' levy or re-impose all or part of the reduction in the future (R.C. Section 5705.313(C)).

5. The tax year when the reduction will first apply.

No other taxing unit may levy any portion of the reduced millage, except as may be required by the budget commission to provide for the payment of debt charges of any subdivision or taxing unit in the county (R.C. 5705.313(B); see also R.C. 5705.31(D)). The county commissioners may, at any time, re-impose the inside millage that was reduced with the adoption of a resolution and certification to the county auditor.

CCAO, OACBHA issue Joint Recommendation on Changing ADAMH Board Governing Board Size

In anticipation of the October 3rd effective date of the changes to section 340.02 of the Revised Code that were included in HB 33, that will allow for a determination of the number of members that will be appointed to the governing board of ADAMH Boards, CCAO and the Ohio Association of County Behavioral Health Authorities (OACBHA) have collaborated and agreed upon recommendations for implementation of the new requirements. The following is a summary of the governing board requirements, both new and unchanged, and the joint CCAO-OACBHA recommendations.

A standalone PDF version of this article can be found here.

Summary of Requirements

Governing board size:

- County commissioners are authorized to determine the size of governing boards with options of 9, 12, 14, 15 or 18 members. In a joint-county district, all county commissioners must jointly determine board size. In a joint-county district, the decision among the boards of county commissioners must be unanimous.
- To change the size of an existing governing board, the board(s) of county commissioners must send a representative to a meeting of the governing board to solicit feedback on the change and must consider the feedback received. If the commissioners decide to proceed with a change after considering the feedback received, the board(s) of county commissioners must adopt a resolution specifying the selected board size and notify OhioMHAS of the size that has been selected in order to implement the change.
- A change in board size may not occur more frequently than once every four calendar years.
- When a board size decreases, the reduction in board members must be implemented by not filling vacancies as they occur.
- No action is required of existing 18 and 14 member boards that will stay with the current number of members.

Governing board appointments:

- 1/3 of members must be appointed by OhioMHAS and 2/3 by the county commissioners.

- The current requirement for the members of a joint-county ADAMH Board's governing board to be appointed by each county in as nearly as possible the same proportion of each county's population to the total population of the ADAMH Board's service district, with at least one member appointed from each county, remains unchanged.

- Also unchanged is the requirement for governing boards to reflect the composition of the population of the ADAMH Board's service district as to race and sex.

- The requirement for certain categories of appointments to be filled by the appointing authorities remains. If a governing board size provides for fewer than 6 appointments by OhioMHAS, the board(s) of county commissioners will also be responsible for ensuring these appointments are made. These categorical appointments are:

    - At least one person who has received or is receiving mental health services;

    - At least one parent or other relative of a person who has received or is receiving mental health services;

    - At least one person who has received or is receiving addiction services;

    - At least one parent of other relative of a person who has received or is received addiction services;

    - At least one clinician with experience in the delivery of mental health services;

    - At least one clinician with experience in the delivery of addiction services;

    - The clinician requirements may be fulfilled by a single board member if that person meets both qualifications.

Joint CCAO-OACBHA Recommendations

In consideration of the questions and considerations that will occur with the implementation of the new requirements, CCAO and OACBHA make the following joint recommendations:

- If an ADAMH Board is currently a 14-member governing board or will change to a 14-member governing board, it is recommended that to comply with the new requirement for 2/3 of members to be appointed by the county commissioners and 1/3 by OhioMHAS, 9 appointments should be board(s) of county commissioners' appointments and 5 should be OhioMHAS appointments. This split provides for county commissioners to appoint 64% of members which is as close to the required 66% as possible.

- If a change will be made to the size of a joint-county ADAMH district's governing board, it is recommended that, prior to deciding which county will appoint new members or lose them through attrition, the entity should determine if the existing board appointments are proportional to county size as currently required. This determination will inform what alterations need to be made with the forthcoming change in board size and allow the entity to factor in any needed re-basing.

- If either a board of county commissioners or an ADAMH Board is interested in a change in the size of the existing governing board, it is recommended they communicate about a potential change prior to engaging in the statutory process required to implement a change.

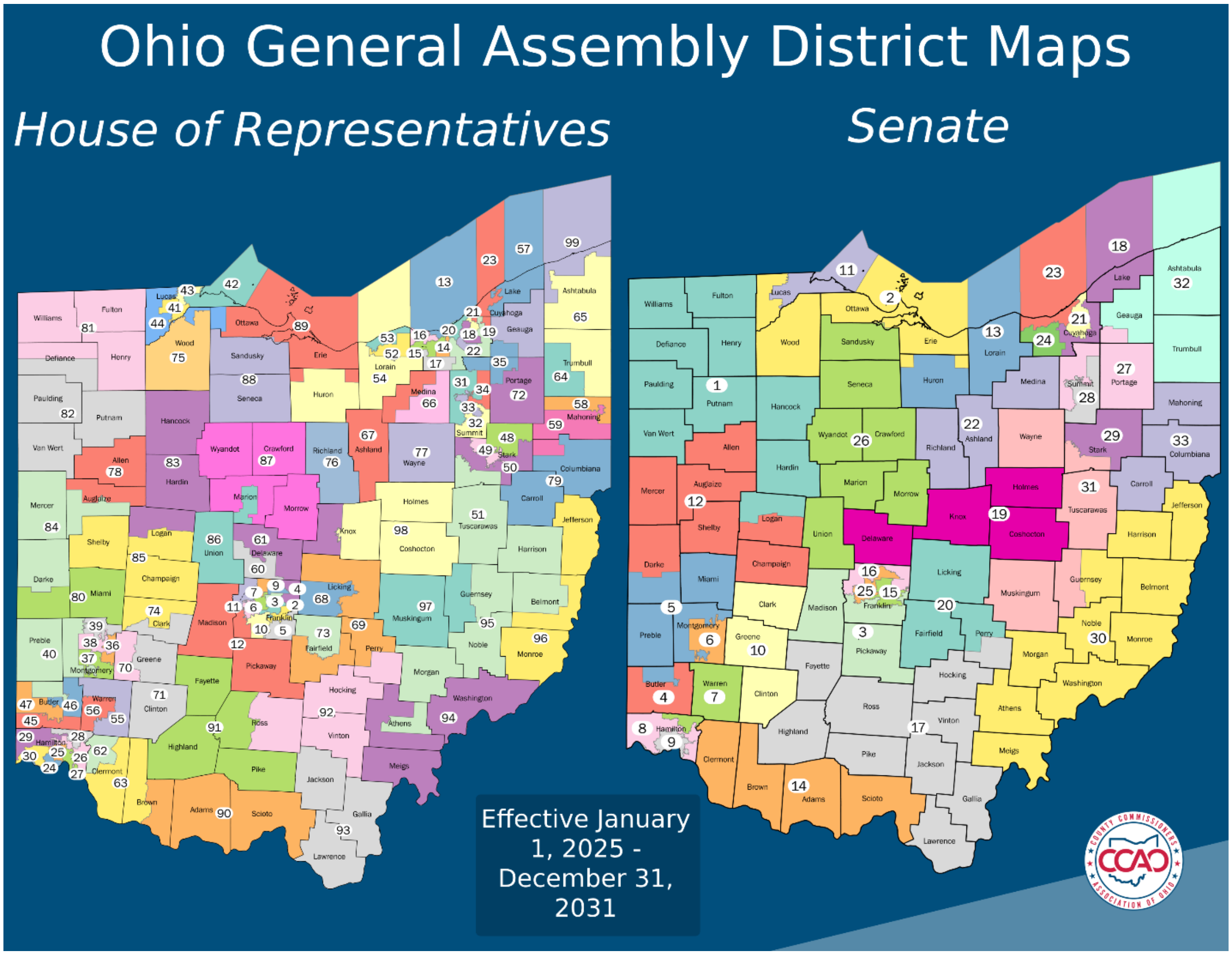
Please contact CCAO Outreach & Member Engagement Manager Rachel Reedy, rreedy@ccao.org, 513-543-3723, with any questions about the requirements or these recommendations.

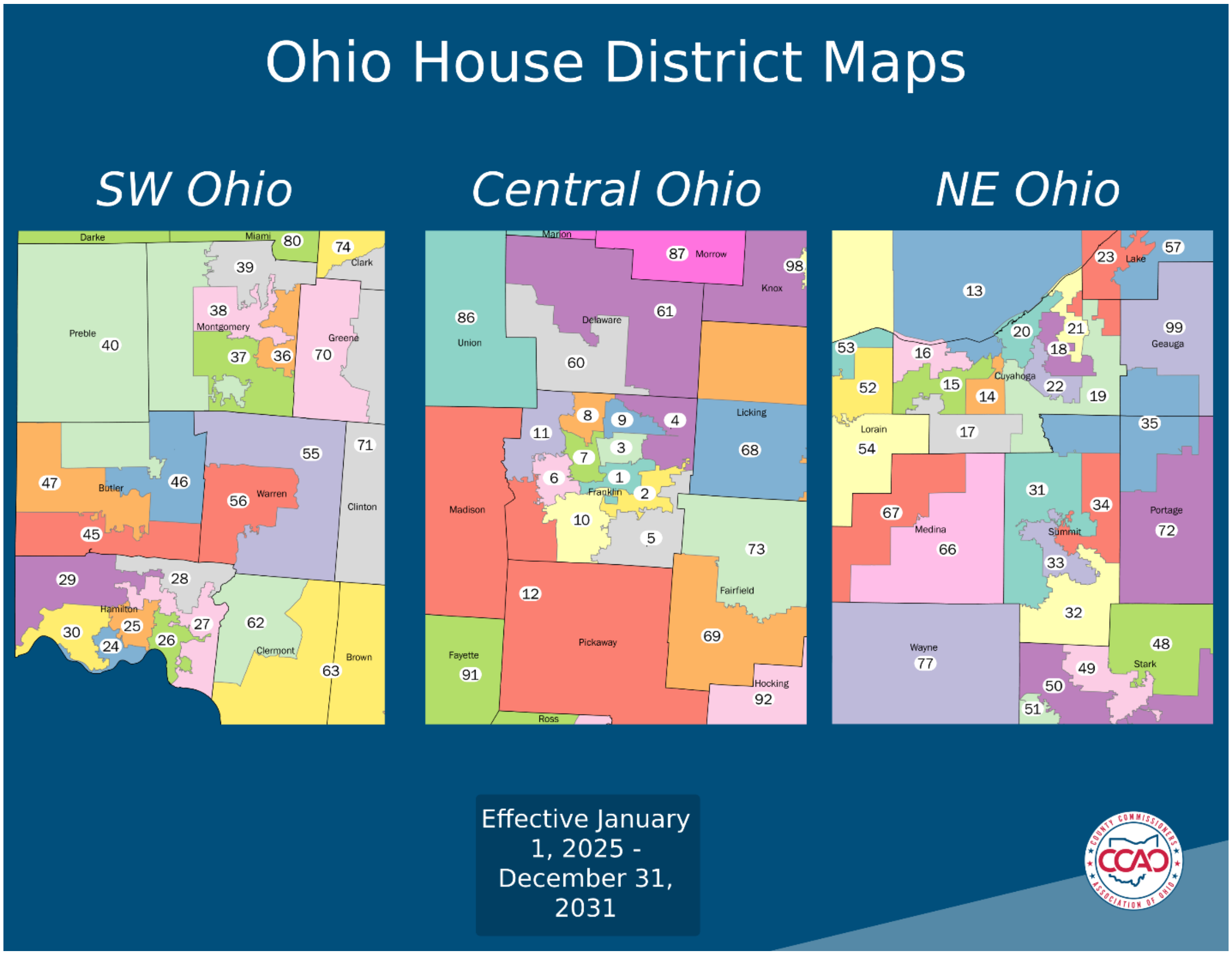
New General Assembly maps adopted, to last until 2032

This week, the Ohio Redistricting Commission unanimously adopted state legislative maps for the remainder of the decade. The maps are similar to the maps used for the 2022 General Assembly elections and feature few county-shifts. These are listed in the table below. After the table are the maps themselves; you can click the maps to enlarge.

County Shifts in General Assembly Maps		
District	**Counties**	**County Shifts**
House 54th District	Huron, Lorain	**LOST** Erie
House 91st District	Fayette, Highland, Pike, Ross	**LOST** Brown
House 94th District	Athens, Meigs, Washington	**LOST** Morgan
House 95th District	Athens, Belmont, Guernsey, Harrison, Morgan, Noble	**ADDED** Morgan, Athens **LOST** Washington
Senate 3rd District	Franklin, Madison, Pickaway	**ADDED** Madison, Pickaway
Senate 13th District	Huron, Lorain	**LOST** Erie
Senate 16th District	Franklin	**LOST** Madison and Pickaway
Senate 17th District	Fayette, Gallia, Highland, Hocking, Jackson, Lawrence, Perry, Pike, Ross, Vinton	**LOST** Brown
Senate 27th District	Geauga, Portage, Summit	**ADDED** Geauga and Portage

County Shifts in General Assembly Maps		
District	**Counties**	**County Shifts**
Senate 28th District	Summit	**LOST** Geauga and Portage





Legislative Activity

Committee Hearings

Several bills of interest to counties received hearings this week across different committees.

Senate Local Government

- House Bill 101 (Representative Adam Bird and Representative Jean Schmidt): To modify the law regarding village dissolution.
  - Third hearing, no testimony
  - **AMENDED** to allow an official elected to fill a vacancy in an even-numbered year to serve on the panel overseeing the village dissolution.

Senate General Government

- Senate Bill 137 (Senator Theresa Gavarone and Senator Bill DeMora): To generally prohibit the use of ranked choice voting and to withhold Local Government Fund distributions from a municipality or chartered county that uses ranked choice voting.
  - First hearing, sponsor testimony

- Senate Bill 147 (Senator Michele Reynolds): To permit an elector to change party affiliation through the voter registration process, to require an elector to register as a member of a political party in order to participate in that party's primary election, and to name this act the Voter Registration Modernization Act.
    - First hearing, sponsor testimony

House Finance
- House Bill 7 (Representative Andrea White and Representative Latyna Humphrey): To express the General Assembly's intent to support strong foundations for mothers and babies to address maternal and infant mortality and improve health and developmental outcomes, and to name this act the Strong Foundations Act.
    - First hearing, sponsor testimony
- House Bill 231 (Representative Gail Pavliga and Representative Adam Miller): To establish a 9-8-8 suicide prevention and mental health crisis telephone line.
    - First hearing, sponsor testimony

House Ways and Means
- House Bill 186 (Representative Darnell Brewer and Representative Sean Brennan): To exempt from sales and use tax sales of firearm safety devices.
    - Second hearing, proponent testimony from the National Shooting Sports Foundation, Buckeye Firearms Association, Sandy Hook Promise, the NRA, and several private individuals.
- House Bill 189 (Representative Al Cutrona): To exempt from the sales and use tax the sale of certain firearms and ammunition and to authorize nonrefundable tax credits for small arms and ammunition manufacturers.
    - Second hearing, proponent testimony from the National Shooting Sports Foundation, Buckeye Firearms Association, and the NRA.

Senate Ways and Means
- House Bill 66 (Representative Thomas Hall and Representative Reggie Stoltzfus): Regards the deduction and recovery of bad debts for cigarette and tobacco and vapor products taxes.
    - Second hearing, proponent testimony from the Ohio Chamber of Commerce.

House Health Provider Services
- House Bill 236 (Representative Beth Lear and Representative Melanie Miller): To prohibit a congregate care setting from denying a patient or resident access to an advocate and to name this act the Never Alone Act.
    - First hearing, sponsor testimony

House Homeland Security
- House Bill 13 (Representative Joe Miller and Representative Casey Weinstein): To redefine "hybrid motor vehicle" under the motor vehicle law for purposes of the additional registration fee applicable to those vehicles and to delay the effect of those changes until January 1, 2024.
    - First hearing, sponsor testimony

- House Bill 237 (Representative Kevin Miller and Representative Phil Plummer): To make changes to the laws governing all-purpose vehicles, off-highway motorcycles, snowmobiles, utility vehicles, and mini-trucks.
    - First hearing, sponsor testimony
- House Bill 241 (Representative Joe Miller and Representative Kevin Miller): Regarding filling a vacant police department position without a competitive examination.
    - First hearing, sponsor testimony

Senate Selection Committee on Housing

- Heard invited testimony from:
    - Ohio REALTORS
    - Health Policy Institute of Ohio
    - Greater Ohio Policy Center
    - Ohio Apartment Association
    - Ohio Community Corrections Association
    - Ohio Association of Community Action Agencies
    - Ohio University's Voinovich School of Leadership and Public Service
    - Ohio Township Association
    - Panel of Central Ohio Governments (Mid-Ohio Regional Planning Commission, City of Lancaster, City of Columbus, and Village of Gambier)

Introduction of Bills

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

- House Bill 280 (Representative Jim Thomas and Representative Steve Demetriou): To revise the law governing lead testing, certification, and tax credits.

Upcoming Committee Hearings

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

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

Tuesday, October 3

House Economic and Workforce Development (2:00 p.m.)

- Senate Bill 41 (Senator Kristina Roegner): To make changes to the law relating to building inspections.
    - Third hearing, opponent testimony

Senate Ways and Means (2:00 p.m.)

- Senate Bill 124 (Senator Tim Schaffer): To exempt from the sales and use tax the sale of certain firearms and ammunition and to authorize nonrefundable tax credits for small arms and ammunition manufacturers.
  - First hearing, sponsor testimony
- Senate Bill 153 (Senator George Lang and Senator Terry Johnson): To temporarily modify the method for valuing farmland and other real property for tax purposes.
  - Third hearing, all testimony
- House Bill 66 (Representative Thomas Hall and Representative Reggie Stoltzfus): Regards the deduction and recovery of bad debts for cigarette and tobacco and vapor products taxes.
  - Third hearing, all testimony

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

- House Bill 263 (Representative Dani Isaacsohn and Representative Thomas Hall): To authorize a property tax freeze for certain owner-occupied homes.
  - First hearing, sponsor testimony
- House Bill 186 (Representative Darnell Brewer and Representative Sean Brennan): To exempt from sales and use tax sales of firearm safety devices.
  - Third hearing, opponent testimony
- House Bill 189 (Representative Al Cutrona): To exempt from the sales and use tax the sale of certain firearms and ammunition and to authorize nonrefundable tax credits for small arms and ammunition manufacturers.
  - Third hearing, opponent testimony

Wednesday, October 4

House Energy and Natural Resources (10:00 a.m.)

- Senate Bill 119 (Senator Bill Reineke): To make changes to the laws governing the transfer and disposal of solid waste and construction and demolition debris, including increasing certain fees.
  - First hearing, sponsor testimony

House Finance (10:00 a.m.)

- House Bill 7 (Representative Andrea White and Representative Latyna Humphrey): To express the General Assembly's intent to support strong foundations for mothers and babies to address maternal and infant mortality and improve health and developmental outcomes, and to name this act the Strong Foundations Act.
  - Second hearing, sponsor testimony
- House Bill 231 (Representative Gail Pavliga and Representative Adam Miller): To establish a 9-8-8 suicide prevention and mental health crisis telephone line.
  - Second hearing, sponsor testimony