STATEHOUSE REPORT

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Virtual meetings bill receives first hearing in Senate Government Oversight Committee

On Wednesday, House Bill 257 (Representative Jim Hoops and Representative Thaddeus Claggett) received its first hearing in the Senate Government Oversight Committee.

HB 257 allows certain public bodies to hold, conduct, and attend meetings by video conference. This legislation grants the ability to multi-county boards without taxing authority to meet virtually once an internal policy is approved by the public body. The public body will be required to list the following within its internal policy:

- The number of hearings that will take place in person.
- Must be at least 50% of the number of hearings held annually.
- At least one third of the public body must be present at the physical location.
- Any vote that is taken during a virtual meeting must be a roll call vote.
- Cannot limit the number of board members attending a meeting virtually.
- Cannot limit the number of meetings one board member may attend.
- Cannot impose additional obligations or impose limits if a board member decides to attend virtually.

Public notice must be provided within 72 hours prior to the meeting's start time, and public access is also required for a virtual meeting. Public access is satisfied if the event is livestreamed through one of several methods, as well as if the body provides the ability to converse with the public and to allow the public to provide testimony.

The following public bodies will not have the ability to conduct a virtual meeting:

- The General Assembly, or any of its committees or subcommittees;
- Any court, including a mayor's court;
- The State Board of Education;

- The Board of Directors of the Bureau of Workers' Compensation;
- The Ohio Elections Commission;
- A board of county commissioners;
- A board of township trustees;
- The legislative authority of a municipal corporation or charter county;
- A city, local, or exempted village board of education;
- A board of elections.

During the hearing, a topic of discussion between the bill sponsors and the committee members concerned how a "major nonroutine expenditure" and a "significant hiring decision" are defined, as the bill does not provide a clear definition. The bill prohibits a public body from meeting virtually if the meeting concerns either of those two issues. The bill sponsors stated that the individual public body will have the ability to define both of these terms within their virtual meeting policies.

During the House committee process, a provision was included which permits a county central committee to fill a vacancy within the offices of county commissioner, prosecuting attorney, county auditor, county treasurer, clerk of the court of common pleas, sheriff, county recorder, county engineer, or coroner, if the official was elected as a partisan candidate, to fill the vacancy using a secret ballot process with a majority vote.

This legislation passed the House of Representatives with a vote of 73-3 late last year. If you have questions concerning the bill, please contact Policy Analyst James Kennedy.

Property Tax Study Committee hears from expert witnesses

The Joint Committee on Property Tax Review and Reform heard from three expert witness on Wednesday: Tom Zaino, a former Tax Commissioner and partner in Zaino and Ferrin LLC; Eric Syverson with NCSL; and, Fred Nicely of the Council on State and Local Taxation (COST), formerly Chief Counsel of the Ohio Department of Taxation.

Mr. Zaino's testimony focused his remarks on the interaction between the 20-mill floor for school districts and the House Bill 920 tax reduction factors. He pointed out that certain types of levies, such as substitute and emergency levies, are not included in the calculation of the 20-mill floor, giving schools the incentive to enact them while still receiving an unvoted tax increase on current expense levies when valuations increase. Fifty-four percent of Ohio's school districts are at the 20-mill floor, while another 14% are just above it. He suggested several reforms for addressing the 20-mill floor, such as including substitute and emergency levies in the calculation of the floor and limiting their use. Separately from the school funding issue, he suggested lowering assessment values and making other changes to the public utility tangible personal property tax.

Eric Syverson's testimony compared Ohio's property tax system to other states. Ohio's property tax collections comprise just under 30% of total state and local taxes, which is about average nationally. Looking specifically at K-12 education, property taxes comprise 42% of total funding for public education, which is higher than the US average of 37%. He indicated that states across the nation are experiencing rising property valuations, and that many legislatures have enacted additional property tax relief in recent years.

Fred Nicely's testimony focused on the COST report on property tax administration, and why Ohio received a grade of D+ in the report. He recommended that Ohio improve transparency by using true market value with adjusted millage rates rather than the current 35% assessment ratio. He also recommended updating valuations every two years in order to better reflect market trends.

Testimony to the committee is available on the [CCAO website](). Members with questions should contact Jon Honeck, [jhoneck@ccao.org]().

Task Force to Study Indigent Defense hears testimony from multiple witnesses at its final meeting

On Thursday, the Task Force to Study Indigent Defense held its third and final meeting. To begin, the task force received a presentation from the 6th Amendment Center to provide some nationwide context for the delivery of indigent defense. The Center touched on many of the same points previously raised by CCAO including the need for fiscal certainty in the system from the state. They were also critical of the reimbursement model that Ohio currently uses, stating that "I've never seen a system that runs on a reimbursement model that's been able to fund indigent defense. You've got to budget for it."

Next, the task force heard from Delaware County Public Defender Carlos Crawford. Carlos spoke about the advantages of a county public defender system in terms of quality representation for indigent defendants and how the system employed in their county works efficiently. He also highlighted that their county public defender office currently handles approximately 80% of the cases, with appointed counsel handling the remaining 20%.

This topic was also discussed by the third presenter to the committee, Blaise Katter from the Ohio Association of Criminal Defense Lawyers (OACDL). He advocated for appointed counsel to remain a part of the indigent defense system and encouraged the task force to adopt an equitable method for appointing counsel locally. He also encouraged the task force to require counties who choose to keep their indigent defense system locally, to pay the minimum hourly rate set by the OPD.

Finally, the task force heard from Franklin County Common Pleas Judge Stephen McIntosh, representing the Ohio Judicial Conference (OJC). He advocated for the system to be fully funded regardless of whether a county contracts with the state or keeps their current local system. He feels that judges should be consulted by commissioners before making this decision and that judges should maintain control over their appointed counsel list and not adopt the approach mentioned by OACDL.

At the end of the meeting, co-chairs Senator Nathan Manning and Representative Jim Hoops announced that this was the last meeting of the task force. They will now begin writing a report to the General Assembly and plan to submit that report by the April 3rd statutory deadline. CCAO will work with the task force members, including Fairfield County Commissioner Steven Davis, to encourage the task force to recommend CCAO's policy priorities in the area of indigent defense. As a reminder, our recommendation is that the indigent defense system should be fully funded, either by statutory requirement, or by fiscal appropriation, and that counties should be able to choose to keep their current system or contract with the state public defender for services.

Additionally, CCAO will be working with the Ohio State Bar Association, the Ohio Public Defender, Ohio Judicial Conference, and the OACDL on a survey to ascertain how many counties are interested in contracting with the state for indigent defense and how many counties would like to retain their current system. We are currently compiling the information for the survey and will send out a communication once it is finalized.

If you have any questions or would like to provide information to the task force, please contact CCAO Managing Director of Policy, Kyle Petty at kpetty@ccao.org or 740-503-6088.

CCAO president Abbuhl provides testimony on Windfall Elimination Provision resolution

This week, the Senate Government Oversight Committee held its second hearing concerning House Concurrent Resolution 6 (Representative Angela King and Representative Phil Plummer), which urges Congress to repeal the Windfall Elimination Provision and the Government Pension Offset Provision of the federal Social Security Program.

The two provisions reduce the Social Security benefit for retired or disabled workers who have earned pensions from earnings not covered by Social Security; this mainly affects state and local government workers, not private sector employees who have alternative retirement structures such as 401(k)s.

CCAO President and Tuscarawas County Commissioner Chris Abbuhl provided proponent testimony to the committee to give a local government perspective on the effect that the two Social Security Act provisions can have. He explained that the provisions have the effect of penalizing employees who have worked in both the public and private sectors, which causes some to forego taking a new job with a local government after retirement since it would reduce their Social Security benefits.

Additionally, while the harm caused to individuals is usually enough to dissuade them from taking a post-retirement public sector job, the Congressional Research Service cites a report from the Social Security Office's chief actuary that repealing the two provisions would have a negligible effect on the program. The actual estimated that repealing the two provisions would increase the projected program cost of Social Security by 0.02% over a 75-year period and have no significant effect on the funds' actuarial balance.

President Abbuhl also informed the committee that reformation of the Windfall Elimination Provision is a component of NACo's platform and noted that fellow Ohio commissioners Julie

Ehemann (Shelby County) and David Painter (Clermont County) were cosponsors of the platform resolution.

Also providing testimony on HCR 6 were officials from the Ohio Education Association, the Ohio Public Employees Retirement System, the State Teachers Retirement System, the School Employees Retirement System, the Ohio Association of Fire Fighters, an organization representing retired public employees, and one private individual.

Senate passes bill with addition of limited capital budget items

During its session this week, the Senate added a floor amendment to HB 27 which included $1.4 billion in spending, with a focus on traditional capital budget items with bonded funds. Earlier this year the House passed their version of the capital budget totaling nearly $2 billion in spending. The two main differences in the spending plans are that the Senate did not include funding for jails or any allocations from the One-Time Strategic Community Investment Fund (OTSCIF).

The Senate indicated that future discussions would need to be held before an agreement can be accepted in regard to the OTSCIF and other funding included in the House version. The Senate included the funding in HB 27 that it believes needs to be adopted by the end of March to ensure funding is available for school construction and other state-funded efforts by summer. The funding the Senate includes contains the following:

- **$600 million** for the Ohio School Building Assistance Fund.
- **$575 million** for the Public Works Commission Track.
- **$196 million** in continued funding for the Ohio Expositions Commission Expo 2050 project
- **$19 million** per fiscal year to support Ohio's adoption grant program.

As a reminder individual capital project requests are due to your senator's office by Monday, April 8th.

NEXT WEEK: CCAO, Ohio Housing Finance Agency to host webinar on housing tax credit program

Next Thursday, March 7, CCAO, in conjunction with the Ohio Housing Finance Agency (OHFA), will host a webinar to educate members on a new tool that local governments can utilize to improve single-family housing stock in Ohio: The Single-Family Housing Tax Credit (SFHTC).

Created in the state's most recent operating budget, the SFHTC allows for a maximum of $50,000 tax credit per dwelling to projects aimed at developing or rehabilitating housing in Ohio communities. Counties play an important role in the SFHTC program, as the lead applicants for the programs must be a county, township, municipality, regional planning commission, community improvement corporation, or economic development corporation.

OHFA has produced a one-page handout with an overview of the program and more detailed information about the SFHTC, including the allocation plan and underwriting guidelines, can be found on the Agency's website.

Housing is one of the most pressing issues that the state is facing, so CCAO is happy to offer this educational opportunity regarding one of the new roles that counties can play in alleviating the housing crunch.

Registration is free and can be completed here.

Legislative Activity

Committee Hearings

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

Senate Judiciary

- House Bill 56 (Representative Phil Plummer and Representative Andrea White): To increase penalties for fleeing from law enforcement, to require law enforcement entities to have a policy governing the pursuit of a motor vehicle, and to prohibit hooning and being a spectator at a hooning event.
    - First hearing, sponsor testimony
- Senate Bill 176 (Senator Vernon Sykes and Senator Mark Romanchuk): To allow child support orders to be issued, modified, or extended for children over 18 with a disability.
    - Second hearing, proponent testimony from the Ohio Judicial Conference and the Ohio CSEA Directors Association.

Senate Government Oversight

- House Bill 238 (Representative Sarah Fowler Arthur and Representative Roy Klopfenstein): To revise and streamline the state's occupational regulations.
    - Informal hearing, sponsor testimony

Senate Ways and Means

- Senate Bill 186 (Senator Louis Blessing III and Senator Catherine Ingram): To require payment of property taxes and assessments when a lot is split or transferred and to generally prohibit tax-delinquent property owners from purchasing tax-foreclosed property.
    - Third hearing, no testimony

Introduction of Bills

The following bill(s) that may be of interest to counties were introduced this week:

- House Bill 430 (Representative Roy Klopfenstein and Representative Elgin Rogers): Regarding county engineers.

- Senate Bill 230 (Senator Niraj Antani): To require state and local authorities to cooperate with the federal government in the enforcement of immigration laws, to sanction those that fail to do so, and to declare an emergency.