



STATEHOUSE REPORT

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Advocacy Corner – HB 2 Jail Funding Formula and Ranking

Key Advocacy Talking Points:

- Prior to 2020, the state last provided funding to counties for jail projects in 2001. This 20-year gap has resulted in many county jails becoming outdated and ill-equipped to deal with the current inmate population.
- CCAO and BSSA's recent jail survey shows there is approximately \$2.2 billion dollars' worth of necessary county jail projects across the state.
- Without state support for county jail projects, many counties are unable to fund the project on their own due to inflationary construction factors.
- The survey also showed that the price for the project increased by 41.5% on average between the initial bid for the project and the most recent bid.
- The average price per square foot for jail construction was around \$600 per square foot in 2019, the average price per square foot is now between \$800-\$1,100 per square foot.

The House of Representatives recently made a historic proposed investment in county jail funding. They passed House Bill 2 out of the chamber in late February, which contained \$250 million dollars for county jail funding and a formula for distributing the funding in statute. The bill allocates \$100 million for "large county jails" and the remaining \$150 million will be allocated for all other jails. This is the first time that funding has been set aside for large county jails and recognizes the unique challenges faced by these facilities. It is very important that you contact the Senate and express your support for this funding. It is also important to mention the funding formula is contained in statute, to ensure that this program continues beyond this capital budget cycle and can help multiple counties with their jail projects for years to come.

The formula in HB 2 closely resembles the formula created in HB 33, the current state operating budget. If you would like an in-depth analysis of that formula, CCAO provided a [County Advisory Bulletin](#) focused on how it functions. The formula first requires the Department of Taxation (DOT) to rank counties from poorest to richest based on their

cumulative property tax valuations and sales tax revenue. The list also shows the percentage of the total project cost that the state will cover and the portion of the project cost that the county will cover for the project. The share of the project cost that the state will cover ranges from 25% (counties at the bottom of the list) to 75% (counties at the top of the list). HB 2 defines counties eligible for the “large county jail” funding as those where the state will cover 25% of the project cost.

If you are interested in knowing where your county ranks on this list, you can [view the rankings here](#). The list identifies the counties that were considered by the Department of Rehabilitation and Correction (DRC) following the \$75 million allocated in HB 33 and which counties are identified as “large county jails.”

Next, DRC will invite counties from the DOT list to apply for funding. It is important that the county application contains information relative to the needs assessment. After DRC receives the applications from invited counties, they will conduct a needs assessment to examine the following issues:

- The need of the county for additional jail facilities, or for renovations or improvements to existing jail facilities based on whether, and to what extent, existing facilities comply with jail standards set by the Ohio Jail Advisory Board, including the age and condition of the jail facilities;
- The number of jail facilities to be included in a project;
- The estimated annual, monthly, or daily cost of operating the facility once it is operational, as reported and certified by the county auditor;
- The estimated basic project cost of constructing, acquiring, reconstructing, or making additions to each facility; and
- Whether the county has recently received a grant from the state to construct or renovate jail facilities.

Following the needs assessment, DRC will make an award to a county which satisfies the criteria in the needs assessment. The amount of the award will be determined by the county’s percentage match set by DOT’s ranking list. Once a county receives funding from this process, they will not be considered in future funding rounds.

The large county jail program functions in a slightly different manner to the program mentioned above. Within 45 days of the program being enacted into law, any county that meets the definition of a “large county jail” can apply for funding. The application must contain the following information:

- A project proposal for the construction or renovation of jail facilities, with a reasonable estimate of what the basic project cost would be, as well as the daily, monthly, or annual cost of operating the facility once it is complete;

- Evidence that the county will be able to generate adequate revenue to fund the county portion of the basic project cost and the operations and maintenance of the proposed jail facility or facilities; and
- The signatures of each member of the board of county commissioners, as well as the county auditor, or in the case of a county that has adopted a charter under Ohio Constitution, Article X, the signature of the executive or president of the legislative or taxing authority of the county, as well as the county auditor.

Once DRC receives applications from counties, it will conduct a needs assessment with the same criteria listed above. DRC shall conduct the needs assessment on the applications from counties highest on the list first and then work its way down the list. During the needs assessment, DRC must request the basic project cost and operating and maintenance costs of the project from the county and the county must demonstrate that it will be able to generate adequate revenue to fund the county portion of the basic project cost and the operations and maintenance of the proposed jail facility or facilities.

DRC will then make awards to counties based upon the needs assessment and their ranking on the DOT list. The maximum percentage of a project that ODRC will provide for a project will be 25% of the total project cost. If a county receives less than 25% of the total project cost due to lack of available funding, that county is eligible to receive funding in the next funding year, which differs from the process for the “non-large county jails” above.

Governor DeWine announces workgroup on mental health treatment in jails

Recently, Governor Mike DeWine announced the creation of a workgroup to provide recommendations on mental health and psychiatric care in Ohio’s criminal justice system. Specifically, the workgroup will look at court ordered psychiatric beds at state mental health hospitals, also called forensic beds, and mental health treatment options in county jails.

Details on the makeup of the workgroup are forthcoming, but [CCAO sent a letter](#) to Governor DeWine asking for CCAO to have two members on the workgroup due to the important role that commissioners, county executives, and county council members play in the funding and oversight of county jails.

We believe that the Medicaid 1115 waiver process will be discussed at this workgroup meeting, among other items. Once we have additional details, we will share them with the membership.

OPD to accept comments on updated Standards and Guidelines

In an effort to be more responsive to the indigent defense needs for counties, the Ohio Public Defender (OPD) is allowing counties to submit comments to the agency’s updated standards and guidelines for the year.

CCAO expects to receive the draft standards and guidelines today, but we have not yet received them. CCAO will send the draft to commissioners, executives, council members, administrators, and clerks via an e-bulletin once we receive them from OPD. Please note that comments are due by March 24. If you have comments on the draft, the Policy Team would be happy to work with you on those comments and assist with the submission process.

Materials available from webinar on housing tax credit program

Yesterday, CCAO, in conjunction with the Ohio Housing Finance Agency (OHFA), held 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](#).

The recording of the webinar and the slides shared during the presentation are available on CCAO's [webinar archive](#).

Legislative Activity

Introduction of Bills

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

- [House Bill 437](#) (Representative Beth Lear and Representative Brian Lorenz): To require an elector to register as a member of a political party at least ninety days in advance in order to participate in that party's primary election and to require a primary candidate to have voted in that party's last primary.