



STATEHOUSE REPORT

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Governor DeWine champions children initiatives in State of the State address

On Wednesday, Governor DeWine gave his annual State of the State address. His remarks focused primarily on supporting and investing in programs for children across the state so they may reach their full potential. He announced the following initiatives of note to counties:

- **Child Care Choice Voucher Program:** This program will be available to families up to 200% of the federal poverty level and is estimated to support around 8,000 children accessing care. It is our understanding that the eligibility process for this program will run through county JFS agencies, and the administration is aware that the local agencies will need resources to administer this new program.
- **Child Care Access Grants:** Repurposing \$85 million in federal funding to improve and expand existing center and family child care programming.
- **Foster Care Recruitment:** Gov. DeWine highlighted a partnership in Sandusky, Seneca, Ottawa, and Wyandot Counties to help recruit foster parents to care for children with the most complex needs. The administration plans to replicate their efforts through a pilot program.

You can read a summary of his address [here](#) and his prepared remarks [here](#).

Bills supported by CCAO see movement, activity

Resolution to urge repeal of WEP and GPO adopted by full General Assembly

During its session this week, the Senate unanimously adopted [House Concurrent Resolution 6](#) (Representative Angela King and Representative Phil Plummer), which urges Congress to repeal two provisions of federal law that reduce the Social Security benefits of workers who receive a pension for public service that is not subject to Social Security taxes.

The two provisions, the Windfall Elimination Provision and the Government Pension Offset, are estimated to affect more than 250,000 Ohioans and have proven to create difficulty for local governments with workforce needs. The provisions have caused employees who may otherwise have decided to take a late-career public service position to opt not to take a position out of concerns it would cut the Social Security benefits they either are receiving or would receive.

Now that HCR 6 has been adopted by both chambers of the General Assembly, it will be sent to the leadership of the US House of Representatives and the US Senate, and all members of Ohio's Congressional delegation.

The resolution, which CCAO testified in favor of in both chambers ([House](#); [Senate](#)), was adopted by the House in December and by the Senate on April 10.

Public records exemption bill favorably reported by Civil Justice Committee

This week, the House Civil Justice Committee favorably reported [House Bill 265](#) (Representative Scott Wiggam and Representative Thomas Hall). The bill generally exempts the work schedules of designated public service workers from disclosure and exempts redaction request forms and affidavits requesting the removal of such a worker's or their spouse's name from publicly available documents from the Public Records law.

During the hearing, the committee adopted two amendments which mainly clarified or tweaked existing language in the bill. The main new provision is that the amendments maintain journalist access to designated public worker work schedules. This is in response to concerns raised by the Ohio News Media Association.

Wayne County Commissioner Jon Hofstetter [provided proponent testimony](#) on behalf of CCAO at an earlier hearing.

Cooperative purchasing bill amended, conforming to Attorney General Opinion

The House State and Local Government Committee held its fourth hearing on [House Bill 145](#) (Representative Thomas Hall and Representative Brian Lampton). The committee adopted an amendment that removes the term "construction services" and substitutes the terms "installation," "repair," "upgrade," "replacement," and "maintenance" to the list of allowable services that can be purchased by a county or other local government through a cooperative purchasing arrangement established under [R.C. 9.48](#). The intent of the amendment is to codify Ohio Attorney General Opinion [2024-003](#), issued on March 18, 2024.

The committee received opponent written testimony from the Affiliated Construction Trades (ACT) Ohio and written proponent testimony from various cooperative purchasing and contractor organizations.

CCAO [testified in support](#) of the bill during an earlier hearing.

House Ways & Means Committee holds first hearing on income tax repeal bill

On Tuesday, the House Ways & Means Committee held the first hearing on [House Bill 386](#) (Representative Adam Mathews and Representative Brian Lampton), which phases out the personal income tax (PIT) and the commercial activity tax (CAT) over a six-year period. Currently, there are two tax brackets for the PIT: the first levies a 2.75% tax on income between \$26,050 and \$100,000 and the second levies a 3.50% tax on income greater than \$100,000 (income below \$26,050 is not taxed).

As part of the phase out, the bill retains two brackets for the 2025, 2026, and 2027 tax years, but lowers the rates – 2.35% and 2.92% for 2025, 1.96% and 2.33% for 2026, and 1.56% and 1.75% for 2027. In the last two years of the phase-out, the bill reduces the two brackets to a single flat rate – 1.17% for 2028 and 0.58% for 2029 – on all income greater than \$26,050. Starting in 2030, personal income would no longer be taxed under Ohio law. This bill will also remove the inflation adjustment for the two brackets starting in 2025. The table below summarizes these changes.

Summary of HB 365 Income Tax Changes		
Tax Year	First Bracket Marginal Rate	Second Bracket Marginal Rate
2024 (Current Law)	2.75%	3.50%
2025	2.35%	2.92%
2026	1.96%	2.33%
2027	1.56%	1.75%
2028	1.17%	ELIMINATED
2029	0.58%	ELIMINATED
2030 and on	ELIMINATED	ELIMINATED

Under current law, the CAT levies a tax of 0.26% of a business' gross receipts in excess of \$3.0 million. The bill would increase the threshold to \$6.0 million starting in 2025 and will repeal the CAT entirely in 2030.

Since the PIT and CAT are two contributors to the Local Government Fund, the total LGF will be significantly impacted by this bill. As a reminder, the LGF receives 1.70% of state General Revenue Fund tax receipts. In March 2024, the PIT accounted for 24.34% of GRF tax revenue and the CAT accounted for about 0.83%. Eliminating these two tax instruments would likely cause a reduction in the LGF of at least 25%.

Outside projections of revenue loss due to the bill estimate have been speculated to touch \$13 billion annually once the full repeal of the PIT and CAT are in place starting in 2030.

However, the Legislative Service Commission has not produced its fiscal analysis of the bill. The LSC is required to make a fiscal analysis available before the bill receives its second hearing.

Please contact Senior Policy Analyst Jon Honeck at jhoneck@ccao.org or Policy Analyst James Kennedy at jkennedy@ccao.org if you have any questions.

Advocacy Task Force to meet on Tuesday, outline capital budget advocacy and review toolkit

This week, the General Assembly returned to action following the March primary election. Following the House's passage of [House Bill 2](#), which contains \$250 million dollars for jail construction and renovation projects, our focus will be to secure support for that historic level of funding in the Ohio Senate during their capital budget deliberations.

The CCAO Advocacy Task Force will meet on April 16 to outline our advocacy strategy to secure jail funding in the Ohio Senate. To assist our members with advocacy on this important issue, the Task Force will also review and potentially approve a one-page document containing CCAO policy positions and key talking points on jail funding advocacy. Additionally, the Task Force will review an advocacy toolkit that outlines effective advocacy strategies and best practices for developing relationships with legislators. We hope this document will be beneficial to both new commissioners and experienced commissioners alike!

If you are interested in attending the Task Force meeting, please RSVP to Nedra Benson at nbenson@ccao.org. If you have questions about the Task Force, please contact CCAO Managing Director of Policy, Kyle Petty at kpetty@ccao.org.

Township bill receives third hearing, amendments

[House Bill 315](#) (Representative Thomas Hall and Representative Bill Seitz) contains changes to township government processes. The bill received its third hearing this week for the purpose of adopting an amendment. Kyle Brooks of the Ohio Township Association explained that the amendment achieves the following purposes:

- Repeals provisions of law requiring townships, whenever the board of trustees wishes to build or improve a town hall at a cost that requires competitive bidding, to submit the question to the electors.
- Changes the definition of "organizational board of commissioners" for a new community authority (NCA) to state that if more than one body meets the current law definitions in [R.C. 349.01](#), the "organizational board of commissioners" means the organizational board of commissioners of which the original petition was filed or another body appointed by the organizational board of commissioners that received the original petition.
- Eliminates the requirement that the county prosecutor approve specifications of fire equipment.
- Specifies a civil enforcement process for the resolution of zoning violations and the collection of zoning fines.
- Specifies that boards of township trustees' emergency powers include emergencies due to a natural disaster, civil unrest, or the derailment of a locomotive.

- Requires township fiscal officers, when a required notification is published by posting on the township website or social media account, to cause proof of the publication to be created, and to maintain the proof.
- Modifies the authority of townships to regulate massage establishments.

The next hearing on the bill will likely take place Tuesday, April 23 for opponent and interested party testimony.

CCAO is opposed to a provision in the bill that permits an urban township (a limited home rule township with at least 15,000 population) to create a new community authority without commissioner approval.

Legislative Activity

Committee Hearings

The following committees held hearings this week regarding bills that may be of interest to counties.

House Families and Aging

- [House Bill 288](#) (Representative Latyna Humphrey and Representative Adam Miller): To make an appropriation to continue to fund the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families programs, and Special Supplemental Nutrition Program for Women, Infants, and Children contingent upon a lapse in federal funding.
 - First hearing, sponsor testimony

House Civil Justice

- [House Bill 413](#) (Representative Sarah Fowler Arthur): To replace two part-time judgeships in the Ashtabula County County Court with one full-time judge and to include the village of North Kingsville and Kingsville, Monroe, and Sheffield Townships within the territorial jurisdiction of the Conneaut Municipal Court.
 - First hearing, sponsor testimony
- [House Bill 338](#) (Representative Andrea White and Representative Bride Rose Sweeney): To allow child support orders to be issued, modified, or extended for children over 18 with a disability.
 - Fourth hearing, no testimony
 - **FAVORABLY REPORTED**

House Government Oversight

- [House Bill 331](#) (Representative Adam Mathews and Representative Tom Young): Regarding village dissolution.
 - Second hearing, proponent testimony from the Ohio Chamber of Commerce, the Ohio Renaissance Festival, and the Warren County Auditor
- [House Bill 430](#) (Representative Roy Klopfenstein and Representative Elgin Rogers): Regarding county engineers.
 - First hearing, sponsor testimony

- [House Bill 265](#) (Representative Beth Lear and Representative Brian Lorenz): To require advance political party registration to vote in a primary election.
 - First hearing, sponsor testimony
- [House Bill 265](#) (Representative Gary Click): To modify voter registration procedures for electors who move.
 - First hearing, sponsor testimony
- [House Bill 265](#) (Representative Beryl Piccolantonio and Representative Michele Grim): To create an exemption to candidate disclosure of name change.
 - First hearing, sponsor testimony

House Ways and Means

- [House Bill 378](#) (Representative Brian Lorenz and Representative Nick Santucci): To permit a homestead exemption for surviving spouses of service members.
 - First hearing, sponsor testimony
- [House Bill 424](#) (Representative Beth Lear): To modify sales and use taxation of delivery network services.
 - First hearing, sponsor testimony

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.
 - Fifth hearing, opponent testimony from the Academy of Medicine of Cleveland and Northern Ohio and interested party testimony from the Ohio Provider Resource Association, the Ohio Children’s Hospital Association, and the Ohio Hospital Association

House State and Local Government

- [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.
 - Fifth hearing, no testimony
 - **AMENDED** to provide a definition of “female” and to prohibit correctional facilities from denying inmates separated from the general population the provisions of the bill, unless there is an emergency.

Senate Community Revitalization

- [Senate Bill 105](#) (Senator Terry Johnson and Senator Vernon Sykes): Regarding the composition of ADAMH boards, the authority of the boards, and the requirements for operation of recovery housing residences.
 - Fifth hearing, proponent testimony from, as a panel, the Ohio Association of County Behavioral Health Authorities, the Brown County Board of Mental Health, the Mental Health and Recovery Services Board of Lucas County, the Mental Health and Recovery Board of Belmont, Harrison, and Monroe Counties, and the Delaware-Morrow Mental Health and Recovery Services

Board. Opposition testimony from The Ohio Council (the statewide trade association of businesses that provide recovery services) and the Ohio Alliance of Recovery Partners. Interested party testimony from Ohio Recovery Housing.

Introduction of Bills

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

- [House Bill 471](#) (Representative Rodney Creech and Representative Angela King): To allow an elector who is not a member of a political party to protest a person's candidacy for that party's nomination on certain grounds.
- [House Bill 472](#) (Representative Bernard Willis and Representative Bob Peterson): To make changes to the Election Law related to voter registration, voting, and the certification of voting systems.
- [House Bill 475](#) (Representative Josh Williams): To prohibit state funds from being given to any entity that supports, promotes, or provides abortions, to require counties and municipal corporations to report abortion-related spending, and to withhold and reallocate to pregnancy resource centers state local government funds from a county or municipal corporation that engages in such spending.
- [Senate Bill 240](#) (Senator Tim Schaffer): To make various changes to public assistance benefits programs.

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, April 16

[House Commerce and Labor](#) (12:30 p.m.)

- [House Bill 327](#) (Representative Scott Wiggam and Representative D.J. Swearingen): To require certain contractors and employers to use E-Verify,
 - Second hearing, proponent testimony