



STATEHOUSE REPORT

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County Omnibus Bill (HB 497) receives sponsor testimony

House Bill 497 Highlights and Talking Points:

- Updating the Revised Code to address administrative burdens that create inefficiencies in county government.
- Many counties are undergoing or planning jail or courthouse renovation or construction projects. Currently, the process requires review and sign off from a committee of elected officials for any projects or change orders of any amount. HB 497 would require this process for anything over \$25,000. Often, jail projects are time sensitive, and it is sometimes difficult to get the committee together quickly. Thus, adding this threshold will make these public improvement projects more efficient and timelier.
- Updates contracting authority to require the board of commissioners to submit contracts over \$20,000 to the county prosecutor for review and certification to account for inflationary increases since 1953. HB 497 would also allow certification by any duly appointed legal counsel of the board of commissioners.
- This bill contains many other non-controversial items that were solicited from our members. If you have any additional suggestions for the bill, please feel free to contact the Policy Team at policy@ccao.org.

This this week, [House Bill 497](#) began its legislative journey in the House State and Local Government Committee. Sponsor testimony was delivered by two CCAO formers, Representative Brian Stewart (a former Pickaway County Commissioner) and Representative Roy Klopfenstein (a former Paulding County Commissioner).

Both members spoke about the bill's provisions and their positive impact on county operations. At the hearing, the committee adopted an amendment requested by the Ohio Judicial Conference (OJC) that was originally a part of the bill but was invertedly omitted. We expect additional amendments to be made to the bill and welcome any suggestions from our members.

The bill will receive a second hearing next week, where proponents of the bill will provide testimony. CCAO plans to testify, and we are inviting our other county elected official associations who have provisions in the bill to testify as well. If you would like to provide testimony about provisions of the bill and how they would improve your county's operations, the Policy Team is happy to help!

The goal is to get this bill moved out of the House quickly, so we can increase our chance of the bill being enacted this year. We are very thankful for our bill sponsors, co-sponsors, and the members of the [House State and Local Government Committee](#) for the opportunity to bring these commonsense issues forward.

If your legislator is a sponsor or co-sponsor of the bill, please take the time to thank them for their support and if they aren't, please encourage them to support this bill.

If you have questions about the bill, please contact Rachel Reedy at rreedy@ccao.org.

Children placement crisis bill, county revenue and expenditure bill receive first hearings

HB 512, children placement crisis

On Tuesday, [House Bill 512](#) (Representative Gail Pavliga) received a sponsor hearing in the House Families and Aging Committee. In her testimony, Representative Pavliga described learning about Ohio's children placement crisis from her Portage County JFS Director and the effect it has on the youth in custody and the agency, specifically the shortage of short-term crisis stabilization options. HB 512 would create a streamlined, expedited process to license beds or a facility for crisis stabilization.

The goal is to provide temporary (14 day) stabilization services where a youth can receive an assessment of their needs. The bill would also require the Ohio Family and Children First Cabinet Council to work with stakeholders, including CCAO, to develop placement crisis and treatment solutions.

On Friday, the CCAO Board of Directors voted to support House Bill 512 in its current form. If you have questions about the bill, please contact Rachel Reedy at rreedy@ccao.org.

HB 491, government expenditure and revenue database

This week, the House State and Local Government Committee held a first hearing on House Bill 491 (Representatives Tom Young and Bob Peterson), which would require counties, as well as other political subdivisions, to report expenditures and revenues through the Ohio Checkbook system managed by the Treasurer of State.

Currently, participation in the Checkbook is permissive by local governments. Forty-six counties currently are in the Checkbook, although when data was last updated varies from 2018 to 2023.

During the hearing, Representative Sean Brennan, a former Parma City Council member, noted that when the City of Parma joined the Checkbook, there was an initial cost to get set up and trained in using the system but in subsequent years there was no additional cost. The bill was discussed at CCAO's Tax and Finance committee meeting earlier today.

If you have questions about the bill, please contact Jon Honeck at jhoneck@ccao.org.

House Ways & Means advances sales tax clarification bill

This week, the House Ways and Means Committee reported one bill and heard proponent testimony on two other bills of interest to counties.

[House Bill 424](#) (Representative Beth Lear) allows for a delivery network company (examples of which include Instacart, DoorDash, and Shipt) to apply for a waiver with the Tax Department to allow the company to reassign the obligation to collect and remit sales tax from the company to the local businesses that goods are being purchased from. The bill is intended to provide clarity over tax collection as it applies to this type of company that has become more prominent since the COVID-19 pandemic.

The Legislative Service Commission does not expect any revenue loss from the bill, as it simply shifts the obligation to collect and remit tax from one entity to another.

The [LSC Fiscal Analysis](#) notes that Ohio households weekly spend, on average, about \$254 on food prepared and consumed at home and \$89 on food prepared outside the home or delivered. As the share of these transactions that take place through third-party delivery services increases, the proportion of sales tax revenue collected through delivery service companies will increase as well.

The bill was unanimously referred out of committee.

The committee also heard proponent testimony from the [County Auditors Association of Ohio](#) on [House Bill 496](#) (Representative Jim Hoops) which makes changes to county auditor law. The changes in the bill are largely clean-up items to update how county auditors conduct business. One example is that the bill allows county auditors to conduct auditor sales anywhere in the county, rather than only at the county courthouse.

Finally, the committee also heard proponent testimony from Americans for Prosperity (AFP) and Americans for Tax Reform regarding [House Bill 386](#) (Representatives Adam Mathews and Brian Lampton), which would phase out Ohio's personal income tax (PIT) over a six-year period.

The Legislative Service Commission's [Fiscal Note](#) estimates that the bill, when fully phased in, will cause \$13.2 billion in annual revenue loss to the state General Revenue Fund, including a decrease of \$800 million annually to the Local Government Fund.

As part of their testimony, [Americans for Prosperity included an analysis](#) discussing the proposal, including four scenarios for how the income tax elimination might play out.

Scenario 1 would phase the PIT out over ten years with no other tax changes. The think tank estimates that revenue would decrease by \$10.66 billion a year, but that individual and business behavior changes would "make up about a quarter of the lost revenue." It also estimates an increase of 81,000 jobs by 2032.

Scenario 2 would again phase the PIT out over ten years, but also increase the state sales tax from 5.75% to 7.00% over the same period and expand the sales tax base by eliminating some tax exemptions. AFP estimates this scenario would result in a net loss of \$3.74 billion annually, along with an increase of 64,000 jobs by 2032.

Scenario 3 would phase the PIT out over six years by immediately moving to a flat tax and lowering the rate until finally reaching 0% in 2028. This scenario explicitly calls for making up for the lost revenue during the phase-out by cutting government spending but does not elaborate on what those spending cuts should be. The report estimates this scenario would create 89,000 jobs by 2032 and reduce revenue by \$7.1 billion annually.

Finally, Scenario 4 phases out the PIT in the same manner as Scenario 3 (immediate flat tax, six-year phase-out) and pairs it with increasing the state sales tax and broadening the base. The scenario estimates the creation of 71,000 jobs with an annual loss of \$6.65 billion.

Neither testimony discussed the impact that the income tax elimination would have on local governments. The drastic reduction in revenue that eliminating the PIT would significantly reduce the ability for the state to partner with counties on a wide spectrum of pressing issues, such as the children services placement crisis, water quality issues through H2Ohio, county jail funding partnerships, and job and family services programs, to mention only a few.

CCAO will continue to monitor the bill.

Property Tax Review Committee to hold final, open testimony hearing

The Joint Committee on Property Tax Review and Reform will be hosting another open testimony meeting next Wednesday, May 22. CCAO anticipates this to be the last hearing by the committee, so if you would like to share your county's story or perspective on issues facing the property tax system, now is your chance to do so.

Members who would like assistance submitting testimony should contact Senior Policy Analyst Jon Honeck at [jhoneyck@ccao.org](mailto:jhoneck@ccao.org) or Research Analyst Nick Ciolli at nciolli@ccao.org.

Legislative Activity

Committee Hearings

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

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
 - Third hearing, no testimony

House Criminal Justice

- [House Bill 429](#) (Representatives Gary Click and Mark Johnson): Regarding traffic offenses in construction zones.
 - First hearing, sponsor testimony
- [House Bill 478](#) (Representative Jay Edwards and Representative Jeff LaRe): To provide for the expedited removal of unauthorized occupants of residential property and to prohibit the use and sale of fraudulent deeds.
 - Second hearing, proponent testimony from Ohio Realtors and the Ohio Real State Investors Association
- [House Bill 480](#) (Representative Tom Young and Representative Steve Demetriou): To provide for the expedited removal of unauthorized occupants of residential property, to prohibit the use and sale of fraudulent deeds, and to declare an emergency.
 - Second hearing, proponent testimony from Ohio Realtors and the Ohio Real State Investors Association

House Families and Aging

- [House Bill 512](#) (Representative Gail Pavliga): To create a streamlined licensure process for emergency placement facilities for children and to require the Ohio Family and Children First Cabinet Council to work with stakeholders to develop treatment and placement solutions for children with developmental or intellectual challenges and high acuity behaviors.
 - First hearing, sponsor testimony

House Government Oversight

- [House Bill 391](#) (Representatives Scott Wiggam and Scott Lipps): To make changes to the laws governing accessible parking.
 - Second hearing, proponent testimony from the Delaware County Board of Developmental Disabilities, the Ability Center, and four private individuals.
- [House Bill 467](#) (Representatives Beryl Piccolantonio and Michele Grim): To create an exemption to the requirement that candidates must provide all names used in the past five years.
 - Second hearing, proponent testimony from EqualityOhio, TransOhio, Unite for Reproductive and Gender Equity, and eight private individuals.

House Ways and Means

- [House Bill 424](#) (Representative Beth Lear): To modify the sales and use taxation of delivery network services.

- Fifth hearing, no testimony
 - **FAVORABLY REPORTED**
- [House Bill 386](#) (Representatives Adam Mathews and Brian Lampton): To phase out the state income tax on nonbusiness income over six years and to repeal the commercial activity tax after 2029.
 - Second hearing, proponent testimony from Americans for Prosperity and Americans for Tax Reform.
- [House Bill 496](#) (Representative Jim Hoops): To revise the law governing property taxes and county auditors.
 - Second hearing, proponent testimony from the County Auditors Association of Ohio
- [House Bill 378](#) (Representative Brian Lorenz and Representative Nick Santucci): To authorize a full homestead exemption for surviving spouses of members of the uniformed services killed in the line of duty.
 - Fifth hearing, no testimony

House Public Health Policy

- [House Bill 452](#) (Representatives Andrea White and Rachel Baker): Regarding hospital violence prevention and related training, security plans, and incident reporting.
 - First hearing, sponsor testimony

Introduction of Bills

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

- [House Bill 526](#) (Representatives Beth Liston and Riordan McClain): Regarding the pass-through of support payments under the Ohio Works First program.
- [House Bill 528](#) (Representative Dan Troy): To increase the criminal penalty for intimidating an election officer.
- [House Bill 532](#) (Representative Brian Lorenz): To expand the definition of “peace officer” to include bailiffs of a municipal court and probation officers, and to increase the penalty for assault when the victim is a bailiff, probation officer, or another court official or employee.
- [House Bill 543](#) (Representatives Willis Blackshear and Bernard Willis): 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.
- [House Bill 546](#) (Representative Jennifer Gross): To require all ballots in Ohio elections to have an identifying watermark.
- [House Bill 549](#) (Representatives Cecil Thomas and Willis Blackshear): To authorize a county to implement a motor fuel quality testing program.
- [House Bill 552](#) (Representatives Scott Wiggam and Beth Lear): To enact the Voter Verification Act to require election officials to verify certain information in voter registration records and to require electors to provide corrected information.
- [House Bill 555](#) (Representative Adam Mathews): To prohibit certain public nuisance actions.

- [House Bill 559](#) (Representative Munira Abdullahi): Concerning workers' compensation coverage for peace officers, firefighters, and emergency medical workers diagnosed with psychiatric conditions arising from employment without an accompanying physical injury.
- [House Bill 564](#) (Representatives Beth Lear and Phil Plummer): To modify the law regarding individuals who are unlawfully present in the United States, to require state and local authorities to cooperate with the federal government in the enforcement of immigration laws, and to sanction those who fail to do so.
- [House Bill 568](#) (Representatives Juanita Brent and Bill Dean): To create the Healthy Soils Task Force.
- [House Bill 570](#) (Representatives Dani Isaacsohn and Bride Rose Sweeney): To provide publicly funded child care benefits to child care staff members and to make an appropriation.
- [House Bill 573](#) (Representatives Phil Robinson and Juanita Brent): To increase the proportion of state tax revenue allocated to the Local Government Fund from 1.7% to 3.68% beginning July 1, 2026.
- [House Bill 576](#) (Representatives Andrea White and Cindy Abrams): To authorize nonrefundable tax credits for certain employer-provided child care expenditures.
- [House Bill 577](#) (Representative Andrea White): To authorize a refundable income tax credit for certain child care expenses.
- [House Bill 578](#) (Representative Andrea White): To authorize a nonrefundable income tax credit for contributions to certain child care programs.
- [House Bill 579](#) (Representatives Sean Brennan and Cindy Abrams): To allow a township to levy a tax to pay for school district resource officers.
- [House Bill 580](#) (Representatives Andrea White and Sharon Ray): To make foster caregivers and kinship caregivers eligible for publicly funded child care.
- [House Bill 583](#) (Representative Andrea White and Phil Plummer): To express the General Assembly's intent to increase the requirements, compliance, and accountability for group homes for children.
- [House Bill 596](#) (Representative Phil Robinson): To require school board approval of municipal tax increment financing incentive district arrangements.
- [House Bill 598](#) (Representative Phil Robinson): To exempt retirement income of public safety personnel from the state income tax and to reimburse the Local Government Fund and Public Library Fund for resulting revenue losses.
- [House Joint Resolution 6](#) (Representatives Beth Lear and Scott Wiggam): Proposing to enact Section 23 of Article I of the Constitution of the State of Ohio to limit property tax increases for a property owner to not more than four per cent per year.
- [Senate Bill 271](#) (Senator Lou Blessing, III, and Senator Hearcel Craig): To authorize a refundable income tax credit or rebate for homeowners and renters whose property taxes or a portion of their rent exceed five per cent of their income.

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, May 21

House Finance (10:30 a.m.)

- [House Bill 7](#) (Representatives Andrea White and Latyna Humphrey): To support strong foundations for Ohio mothers and babies in their first one thousand days to address maternal and infant mortality, to improve health, developmental, and learning outcomes for babies and mothers through expanded prenatal, postnatal, infant, and toddler health care and early intervention and wraparound services and supports; to name this act the Strong Foundations Act; and to make appropriations.
 - Fourth hearing, no testimony
 - **POSSIBLE VOTE**

House Families and Aging (11:00 a.m.)

- [House Bill 512](#) (Representative Gail Pavliga): To create a streamlined licensure process for emergency placement facilities for children and to require the Ohio Family and Children First Cabinet Council to work with stakeholders to develop treatment and placement solutions for children with developmental or intellectual challenges and high acuity behaviors.
 - Second hearing, proponent testimony

House Commerce and Labor (1:00 p.m.)

- [Senate Bill 96](#) (Senators George Lang and Steve Wilson): To allow employers to post certain labor law notices on the internet.
 - Third hearing, opponent testimony
- [House Bill 327](#) (Representatives Scott Wiggam and DJ Swearingen): To require government contractors, private nonresidential contractors, and certain employers to use E-verify.
 - Fifth hearing, all testimony
 - **POSSIBLE AMENDMENTS**
 - **POSSIBLE VOTE**

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

- [House Bill 315](#) (Representatives Thomas Hall and Bill Seitz): To make various township law changes and to make an appropriation.
 - Fifth hearing, no testimony
 - **POSSIBLE AMENDMENTS**
 - **POSSIBLE VOTE**
- [House Bill 373](#) (Representatives Scott Wiggam and Brian Stewart): To authorize a clerk of court to conduct the required physical inspection of a motor vehicle in specified circumstances.
 - Third hearing, opponent testimony
- [House Bill 497](#) (Representatives Brian Stewart and Roy Klopfenstein): To make various changes regarding county law.

- Second hearing, proponent testimony

Wednesday, May 22

Joint Committee on Property Tax Review and Reform (10:00 a.m.)

- All testimony

[Senate Government Oversight](#) (10:30 a.m.)

- Occupational licensing review for the Ohio Board of Engineers and Professional Surveyors.

[Senate Select Committee on Housing](#) (3:00 p.m.)

- [Senate Bill 245](#) (Senators Michelle Reynolds and Hearcel Craig): To revise the law governing eviction, real estate representation agreements, residential building code enforcement, and real property transfers.
 - Second hearing, proponent testimony