STATEHOUSE REPORT

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Clermont County Commissioner Painter testifies in support of Public Works reauthorization

This week, the Senate Finance Committee held its first hearing on Senate Joint Resolution 4 (Senators Brian Chavez and Hearcel Craig), which would put a constitutional amendment on the May 2025 ballot to reapprove the Public Works Commission's State Capital Improvement Plan (SCIP).

The SCIP is traditionally authorized in ten-year increments, and SJR 4 would continue at that pace. The approval would allow the state to issue $2.5 billion in general obligation bonds ($250 million annually) for public improvement projects across the state. The figure would be an increase of $625 million compared to the existing authorization, which expires on July 1, 2025.

Clermont County Commissioner and First Vice President of CCAO David Painter provided proponent testimony on the resolution. In addition to his perspective as a county commissioner and an officer in CCAO, Commissioner Painter highlighted his role as a past president of the Ohio-Kentucky-Indiana Regional Council of Governments.

During his testimony, Commissioner Painter discussed some of the tangible effects of SCIP on Clermont County. In the round of awards released in June 2024 alone, the county received $2.6 million to support three projects: one replacing a water main, one replacing a bridge and culvert, and one making critical repairs to a county road. Without the state funds facilitated by the existing SCIP authorization, these projects would either not have been completed or would have been completed over a much longer time span.

Several other local government organizations and offices also testified in support of the resolution. These include CEAO and the county engineers of Mahoning County and Washington County, the Ohio Municipal League, the Ohio Mayors Alliance, and the Ohio Township Association.

SJR 4 is scheduled for a second hearing on Tuesday, November 19, and is marked for a possible vote.

Also this week, the House introduced its identical version of the reauthorization in the form of House Joint Resolution 8 (Representatives Scott Oelslager and Dan Troy) and will hold its first hearing next week.

Senate Local Government Committee hears county omnibus bill

This week, the Senate Local Government Committee heard sponsor testimony on House Bill 497 (Representatives Brian Stewart and Roy Klopfenstein). HB 497 is the CCAO-backed county omnibus bill.

During their testimony, Representatives Stewart and Klopfenstein stressed that the bill contains non-controversial clean-up items to address outdated sections of code (such as a dollar threshold that had not been updated since 1953) and items to make county government more efficient (such as streamlining the process for disposing of unnecessary or obsolete property).

The committee did not ask any questions. The bill is slated for a second hearing to receive proponent testimony. CCAO will provide testimony. If you would like to testify, either in-person or written-only, in support of the bill, feel free to contact the CCAO Policy Team at policy@ccao.org for any assistance you may desire.

The committee also heard sponsor testimony on four other bills that may have county implications.

In sponsor testimony on House Bill 315 (Representatives Thomas Hall and Bill Seitz), the township omnibus bill, Representative Hall mentioned that a provision regarding New Community Authorities (NCAs) was originally in the bill but was removed during the committee process. He indicated there will likely be testimony from interested parties in favor of the amendment.

CCAO successfully advocated removing the NCA provision during the House process. We will continue to advocate that the committee keep the provision out of the bill.

The bill will receive its second hearing next week.

The other three bills either have less of a county nexus or are early in the legislative process.

House Bill 331 (Representatives Adam Mathews and Tom Young) would create an automatic review process of village services after each decennial census, with the potential of putting a village dissolution vote on the ballot. The village's services would be reviewed by the county auditor, the county treasurer, and one member of the board of commissioners. CCAO did not take a position on the bill when it was in the House.

The bill will receive its second hearing next week.

House Bill 93 (Representatives Mark Johnson and Riordan McClain) would generally limit the ability of municipalities to place liens on properties for unpaid fees and rates but limiting their ability to do so only owner-occupied property or a property where the owner agreed to pay any unpaid amounts of services contracted for by a tenant. Counties are not in the scope of the bill and CCAO will work to ensure that counties remain outside the scope of the bill.

Senate Bill 300 (Senators Andrew Brenner and Kent Smith) would dedicate a part of increased county conveyance fees to creating county-level Housing Trust Funds. During testimony, Senator Brenner indicated the sponsors are open to alternative funding mechanisms. CCAO has not taken a position on the bill.

Auditor of State issues report on county elected official compensation

Auditor of State Keith Faber recently released a brief report entitled Elected Officials Compensation Research. The report was prepared at the request of members of the General Assembly.

The report examines county- and state-elected official compensation. The Auditor of State's Office (AOS) surveyed county associations in the other Midwest states, as defined by the US Census Bureau, and Ohio's neighbors not classified as Midwest (Kentucky, Pennsylvania, and West Virginia).

The AOS received responses from Indiana, Iowa, Kentucky, Michigan, Minnesota, North Dakota, Virginia, and West Virginia.

The report includes the following "key takeaways":

- The current statutory annual increase of 1.75% is not keeping up with inflation or with other public sector positions.
- Ohio is the only state among the Midwest and neighboring states that prescribes county official pay in statute and based on county population. West Virginia also prescribes county official pay but classifies counties by aggregated assessed value.
    - The other states leave compensation amounts to the county through the county's main budget authority or a special committee/commission created to recommend elected official pay.
- Comparing county official salaries across states is complex and prone to inaccuracies due to the differences in required certifications (for example, Ohio is the only state in the country that requires the county engineer to be both a licensed engineer and a licensed surveyor) and the different statutory duties.

- There may be a need to evaluate the current structure of population classification, be it consolidating or moving to a different structure entirely.

The rest of the report contains data gathered from other states.

As a reminder, the Ohio Coalition of County Officials (OCCO), of which CCAO is a member, advocates for county officials to receive a pay adjustment of 6% in each of the remaining years of the current pay bill (2025 through 2028). This is the cumulative increase. It replaces the 1.75% in the Revised Code with 6%, not adding the 6% on top of the 1.75%.

Since the General Assembly is in its Lame Duck session, any potential amendments will likely move quickly. As CCAO members, it is important that you engage with your legislators to share the importance of a pay increase to help elected officials recover compensation that has deteriorated due to the high inflationary environment of the past three years. OCCO has prepared talking points that may be useful to members.

Monthly State GRF Tax Revenues meet estimates in October

The Ohio Office of Budget and Management (OBM) released the state's October tax collection results. Overall, total tax revenue slightly exceeded revised budget estimates by 0.3%. The commercial activity tax, domestic insurance tax, investment earnings revenue, and non-auto sales tax took in more than expected. In contrast, the personal income tax, foreign insurance tax, and financial institutions tax were below estimate.

The most concerning revenue source below estimates was the personal income tax, which was $70.4 million, or 8.7%, below expectations. For the year, the personal income tax is 1.8% below estimates.

The state's largest tax revenue source is the sales tax, which exceeded monthly estimates by $13.6 million, or 1.2%. A slight underperformance in the auto sales tax was balanced by positive performance from the non-auto sales tax.

The total state GRF tax receipts for the year are $570 million, or 6.7%, above estimates. OBM warns that most of the positive year-to-date variance comes from overestimating the September non-auto sales tax revenue loss associated with the expanded sales tax holiday. This positive variance will be offset by a lower-than-anticipated transfer into the GRF from the Expanded Sales Tax Holiday Fund later this year.

Legislative Activity

Floor Actions

This week, the following chamber(s) of the General Assembly met and considered the following bills that may be of interest to counties:

Senate

- House Bill 338 (Representatives Andrea White and Bride Rose Sweeney): To allow child support orders to be issued, modified, or extended for children over 18 with a disability, to change the status of the judge of the Lebanon Municipal Court from part-time to full-time, and to clarify disbursement of funds related to computerization fees.
    - **PASSED, 31-0**
    - Now heads back to the House of Representatives for concurrence to Senate amendments

Committee Hearings

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

House Civil Justice

- Senate Bill 176 (Senators Vernon Sykes and Mark Romanchuk): To allow child support orders to be issued, modified, or extended for children over 18 with a disability.
    - First hearing, sponsor testimony
- House Bill 632 (Representative Jack Daniels): Relating to real property foreclosures.
    - First hearing, sponsor testimony

House Civil Justice

- House Bill 583 (Representatives Andrea White and Phil Plummer): Regarding residential facilities for foster children.
    - Third hearing, interested party testimony from Montgomery County Human Services, The Buckeye Ranch, PCSAO, and the Ohio Judicial Conference. Opponent testimony from the Ohio Children's Alliance.

House Government Oversight

- House Bill 475 (Representative Josh Williams): To prohibit state funds from being given to any entity that supports, promotes, or provides elective abortions, to require counties and municipal corporations to report spending related to elective abortion, and to withhold and reallocate to pregnancy resource centers state local government funds from a county or municipal corporation that engages in such spending.
    - Second hearing, proponent testimony from the Catholic Conference of Ohio, the Center for Christian Virtue, and Ohio Right to Life.

Senate Agriculture and Natural Resources

- Senate Bill 286 (Senator Shane Wilkin): To create the Ohio River Commission.
    - Second hearing, proponent testimony from the Monroe County Treasurer, Ohio River Way, the Lawrence County Port Authority, the Adams Ohio River Transit Access Port, the Central Ohio River Business Association, the Columbiana County Port Authority, the Jefferson County Port Authority, and the Southeastern Ohio Port Authority.

Senate General Government

- House Bill 327 (Representative Josh Williams): To require government contractors, private nonresidential contractors, and certain employers to use E-verify.
    - First hearing, sponsor testimony

Senate Government Oversight
- House Bill 257 (Representatives Jim Hoops and Thaddeus Claggett): To authorize certain public bodies to meet virtually
    - Third hearing, proponent testimony from the Ohio Library Council, the Ohio Board of Nursing, and the Mid-Ohio Regional Planning Commission. Interested party testimony from the Ohio Association of Community Action Agencies.

Senate Health
- House Bill 236 (Representatives Beth Lear and Melanie Miller): To prohibit a congregate care setting from denying a patient or resident access to an advocate during public health emergencies and to name this act the Never Alone Act.
    - First hearing, sponsor testimony
- Senate Bill 255 (Senators Steve Huffman and Terry Johnson): To revise the law governing coroners and death certificates.
    - Second hearing, proponent testimony from the Montgomery County Coroner and the Ohio State Medical Association.

Senate Judiciary
- House Bill 338 (Representatives Andrea White and Bride Rose Sweeney): To allow child support orders to be issued, modified, or extended for children over 18 with a disability, to change the status of the judge of the Lebanon Municipal Court from part-time to full-time, and to clarify disbursement of funds related to computerization fees.
    - Third hearing, no testimony
    - **FAVORABLE REPORTED**

Senate Ways & Means
- Senate Bill 308 (Senator Sandra O'Brien): To limit the ability of school districts to reallocate unvoted property tax millage and to include emergency levies and substitute levies in the calculation of a school district's effective millage floor.
    - First hearing, sponsor testimony
- House Bill 496 (Representative Jim Hoops): To revise the law governing property taxes and county auditors.
    - First hearing, sponsor testimony

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

- Senate Bill 331 (Senator Lou Blessing, III): To require certain liens filed with the county recorder to set forth the last known address of the lien debtor and to require a memorandum of trust or other qualifying instrument concerning real property to be recorded.

- House Joint Resolution 8 (Representatives Scott Oelslager and Dan Troy): Proposing to enact Section 2t of Article VIII of the Constitution of the State of Ohio to permit the issuance of additional general obligation bonds to fund public infrastructure capital improvements.

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, November 19

Senate Local Government (10:30 a.m.)

- House Bill 315 (Representatives Thomas Hall and Bill Seitz): To revise the township law.
  - Second hearing, proponent testimony
- House Bill 331 (Representatives Adam Mathews and Tom Young): To modify the law regarding village dissolution.
  - Second hearing, proponent testimony
- House Bill 497 (Representatives Brian Stewart and Roy Klopfenstein): To make various changes regarding county law.
  - Second hearing, proponent testimony

House Civil Justice (12:00 p.m.)

- Senate Bill 173 (Senators Bill DeMora and Theresa Gavarone): To specify that election officials are designated public service workers for purposes of the public records law.
  - First hearing, sponsor testimony

House Economic and Workforce Development (12:00 p.m.)

- House Bill 375 (Representatives Steve Demetriou and Tom Patton): To make changes to the law relating to tax foreclosures and county land reutilization corporations.
  - Fourth hearing, all testimony
  - **POSSIBLE AMENDMENTS**

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

- 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.
  - First hearing, sponsor testimony
- House Bill 402 (Representative Jean Schmidt): To authorize a property tax reduction in 2023 for properties with increased tax liability relative to 2022.

- First hearing, sponsor testimony

Wednesday, November 20

House State and Local Government (10:00 a.m.)

- House Bill 304 (Representatives Thomas Hall and Melanie Miller): To create the State and Municipal Government Commission.
  - First hearing, sponsor testimony

House Finance (10:30 a.m.)

- House Bill 683 (Representatives Doug Jones and Jay Edwards): To provide additional support for soil and water districts
  - First hearing, all testimony
  - **POSSIBLE AMENDMENTS**
  - **POSSBILE VOTE**
- House Joint Resolution 8 (Representatives Scott Oelslager and Dan Troy): Proposing to enact Section 2t of Article VIII of the Constitution of the State of Ohio to permit the issuance of additional general obligation bonds to fund public infrastructure capital improvements.
  - First hearing, all testimony