STATEHOUSE REPORT

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County Omnibus Bill receives House concurrence, now awaits governor

On Wednesday, the House voted to concur on Senate changes to House Bill 497 (Representatives Brian Stewart and Roy Klopfenstein). The following provisions were included in the final version of HB 497:

<u>Approval of plans for courthouse or jail projects</u>
The bill adds a $75,000 threshold for boards of commissioners to approve courthouse or jail renovation/repair projects without the approval of the clerk of the court of common pleas, the sheriff, the probate judge, and the appointee of the judge of the court of common pleas. The board of commissioners may seek the advice of these elected officials. If the project exceeds the $75,000 threshold, the current approval process in R.C. 153.36 remains in effect.

<u>Contracts submitted to the prosecuting attorney</u>
The bill increases the dollar threshold for contracts the board of commissioners must submit to the county prosecutor for approval to $20,000. This statute was last updated in 1953.

<u>County contract terms and conditions</u>
The bill makes certain terms and conditions unenforceable if they are included in county contracts, including an indemnity clause, a requirement for binding arbitration, and the naming of a court or venue for legal action outside of the county. The language is based on an existing law that applies to state contracts.

<u>Resolutions for disposing of unneeded personal property</u>
The bill raises the dollar threshold for a board of county commissioners' requirement to pass a resolution to sell or donate unnecessary or obsolete personal property to $5,000.

<u>Design services for county improvements</u>

The bill exempts “minor repairs” from needing professional design or engineering services and defines them. The definition of “minor repairs” was copied from the Ohio Administrative Code.

<u>Electronic notice requirements</u>
The bill modifies notice requirements for county competitive bidding to allow publication in a newspaper, a newspaper’s website, the state public notice website, or the county’s website and social media account.

<u>Locations of construction plans</u>
The bill changes the location for holding construction plans, drawings, representations, bills of material, specifications of work, and estimates for public improvements, the building of a county home, the building of a children’s home, and courthouse or jail renovation/repair projects under $25,000 to the board of commissioners. Current law requires the county auditor to keep these items.

<u>Transportation Improvement District legal services</u>
The bill allows Transportation Improvement Districts (TIDs) to contract with the county prosecuting attorney for legal services.

<u>Public records commission</u>
The language allows the county public records commission to meet upon the chairperson's call rather than at least every six months.

<u>Designating county depositories</u>
The bill allows commissioners to add additional public depositories one additional time during the four-year designation period in current law.

<u>Competitive bidding notification requirements</u>
The bill updates competitive bidding notification requirements to align with changes made in the state operating budget last year. Current law requires counties to provide notice of competitive bidding opportunities for any project estimated to cost more than $50,000 instead of the updated competitive bidding threshold enacted by the operating budget.

<u>Coroners</u>
The final bill now includes provisions related to county coroners contained in [SB 255](), including language defining private practice of medicine to include the performance of an autopsy at the request of another person, including another coroner, a hospital, a business entity, an institution of higher education, or any other person. The bill also aligns the fees at $350 per hour that a coroner or deputy coroner can charge for providing expert testimony at a trial, hearing, or deposition in a civil action.

<u>Children services caseworker educational requirements</u>
The bill provides more flexible educational requirements upon hiring a children services caseworker and gives a PCSA director the permissive authority to waive the requirement that an employee in good standing obtain a job-related bachelor’s degree within five years of

employment.

__Juvenile court transfer__
The bill specifies that any court cost, fine, restitution, or other monetary penalty imposed at the time of a transfer to the juvenile court of the child's residence is not a final, appealable order.

__Erie County Municipal Courts__
The language adds municipal courts in Erie County to the list of courts with territorial jurisdiction of the international boundary on Lake Erie in R.C. 1901.023.

__Land Conveyances__
The bill includes two land conveyance measures in Montgomery and Knox Counties.

We appreciate the bill sponsors, co-sponsors, and members of the House and Senate for their support on these commonsense issues. HB 497 now heads to Governor Mike DeWine for his signature.

If you have questions about HB 497, please contact the Policy Team at policy@ccao.org.

Public Works Reauthorization clears both chambers, primed for May ballot

This week, the Senate adopted House Joint Resolution 8 (Representatives Scott Oelslager and Dan Troy) to place a constitutional amendment before the voters in May to reauthorize the State Capital Improvement Program (SCIP) of the Public Works Commission. The program relies on state general obligation debt and thus requires constitutional authorization.

Since both chambers have adopted the resolution, it now goes to the Secretary of State and the Ballot Board for certification that it contains one amendment. After it receives that certification, the amendment will be placed on the following primary or general election ballot, which, given the timing, will be the May 6 primary election ballot.

The Revised Code requires the state to pay for statewide ballot-issue elections. The General Assembly adopted an amendment to Senate Bill 54 that appropriates $15 million to county boards of elections to fund the election administration.

House Bill 315, Lame Duck omnibus bill, makes various taxation changes

House Bill 315 (Representatives Thomas Hall and Bill Seitz), originally the township omnibus bill, became a full Christmas tree bill as Wednesday's legislative session progressed. The bill was slated for a conference committee after the House did not concur with amendments the Senate included last week. During the conference committee, new provisions were added to the bill, including several about taxation. These provisions are discussed below. *Information about non-taxation provisions included in HB 315 can be found in the following article.*

Abandoned and Foreclosed Property – HB 315 modifies the procedures a land bank or political subdivision must use to dispose of abandoned land acquired through an expedited tax foreclosure process. The land bank must sell these properties at a public auction or through the public solicitation of bids. If the sale price exceeds the total costs of the previous tax delinquency, foreclosure process, and carrying costs of holding the property, the excess proceeds must be held by the county treasurer for at least three years following the sale and may be claimed by the former owner.

HB 315 also stipulates that an officer who makes a tax foreclosure sale must deliver any excess funds to the clerk of court no later than 45 days after the confirmation of the sale and extends the time for the clerk to send funds to the treasurer from 60 to 90 days. The language also allows the clerk to provide notice of the excess by posting a notice on the clerk's website, sending a text message to the judgment debtor, or posting a notice in a conspicuous place in the court where the foreclosure action commenced.

CAUV land subject to Conservation Easements – The bill allows farmland enrolled in a conservation easement funded by the H2Ohio program to continue to be valued at its current agricultural use value. Prior law only allowed CAUV enrollment to continue if the land was enrolled in a federal conservation program or the conservation area constituted 25% or less of the farm's total area. The change applies to tax year 2023 and thereafter. Owners may apply retroactively for CAUV for tax years 2023 and 2024.

Sports Facility Sales Tax Exemption – HB 315 expands a sales tax exemption for construction materials incorporated into the original construction of a sports facility for a professional major league team. The new language allows the exemption to be utilized for renovations and expands the scope of the exemption to include all tangible personal property incorporated into the facility. The provision also allows a company that leases a county-owned facility to provide and sign a sales tax exemption certificate on behalf of the county.

Township Tax Increment Financing Extension – The bill allows a township that adopted a resolution creating an incentive district TIF prior to January 1, 2006, to adopt an amendment extending the life of the TIF for up to 15 years. The resolution may not increase the percentage of the value of improvements exempt from taxation. Before adopting the amendment, the township must provide notice to the affected school district asking for the school district's approval. Such approval is unnecessary if the amendment provides compensation to the school district equal in value to the amount of foregone taxes due to the extension or if the school district previously waived its right to approve exemptions.

Delivery Network Company Sales Tax Clarification – HB 315 clarifies the status of a delivery network service that coordinates the delivery of goods between customers and businesses within 75 miles of a merchant's place of business. The clarification is meant to avoid a situation in which a delivery company is forced to remit sales tax to the tax department even though the original merchant has already collected the tax at the point of sale. In cases where the delivery network has no common ownership with the merchant, the provision allows the delivery network company to apply for a waiver from the tax department that treats a marketplace facilitator as a vendor for sales and use tax collection.

Issues of interest to counties advance to Governor

The General Assembly passed 35 bills as Lame Duck concluded this week. County-related provisions were mainly concentrated in HB 315, Senate Bill 54 (Senators Michele Reynolds and Vernon Skyes), House Bill 265 (Representatives Scott Wiggam and Thomas Hall), House Bill 331 (Representatives Adam Mathews and Tom Young), House Bill 74 (Representatives Thomas Hall and Mary Lightbody) and House Bill 257 (Representatives Jim Hoops and Thaddeus Claggett). These bills all await action from Governor DeWine.

Provisions in these bills that affect counties are discussed below. If you have questions concerning these provisions or others, please contact the Policy Team at policy@ccao.org.

Ohio River Commission – SB 54 creates the Ohio River Commission, which will help develop and promote economic development, marine cargo terminal operations, and travel and tourism along the Ohio River and its tributaries. The Commission will also be able to issue grants and loans for Ohio River infrastructure and transportation.

CCAO provided proponent testimony while the provisions were in different bills.

Great Lakes Restoration Initiative – The Senate adopted House Concurrent Resolution 14 (Representatives Tom Patton and Michael Skindell), which urges Congress to renew the Great Lakes Restoration Initiative for five more years with $500 million available in each fiscal year.

CCAO provided proponent testimony during the committee process.

County Engineer Vacancies – HB 315 also included House Bill 430 (Representatives Roy Klopfenstein and Elgin Rogers) in the final version. The initial version of HB 430 required the commissioners to pay a county engineer the full salary of the engineer if they were filling a vacancy in the county. CCAO worked with bill sponsor and former Paulding County Commissioner Roy Klopfenstein to amend the language of HB 430 to allow commissioners to negotiate the salary with the contracted engineer. Invertedly, the language that was included in the final version of HB 315 was the initial version of the bill and not the compromise version that was agreed upon with both CCAO and the County Engineers Association of Ohio.

Staff from both chambers acknowledged that this language inclusion was a mistake. They committed to amending the language next year to allow commissioners to negotiate the salary with the contracted engineer.

Port Authority – HB 315 included a provision that allows a county that is part of an existing multi-county port authority to create a new single-county port authority. This option is available only for a county with a population of less than 100,000.

Public Records – HB 265 exempts work schedules and certain other personnel records of designated public service workers from release under public records law. The Senate amendments include a three-day cure period for alleged public records law violations and restrictions on public records requests by vexatious litigators.

Another public records provision sent to the governor was included in HB 315. It authorizes state and local law enforcement agencies to include in their public records policy the requirement that an individual requesting a video record pays the estimated actual cost of preparing the record before the agency begins the process. This estimated actual cost may not exceed $75 per hour of video or $750 in total.

Virtual Meetings – The House concurred in Senate amendments to HB 257, which will allow public bodies generally to meet virtually if certain conditions are met. Public bodies comprised of individuals elected by the general public to be members of that body are not permitted to meet virtually. This exception includes boards of county commissioners and county councils. Additionally, public bodies in which individuals are compensated for their position as members of that body would not be able to meet virtually. “Compensation” does not include reimbursements for actual expenses incurred while fulfilling duties.

Under the bill, a public body is prohibited from meeting virtually if the meeting or hearing is held to vote on a significant non-routine expenditure, significant hiring decision, or tax-related matter. In all other circumstances, the public body is permitted to meet virtually so long as other conditions outlined in the legislation are followed.

If an elected official is part of a “multi-party meeting,” they would, however, be able to meet virtually if the meeting or hearing does not involve the following: to vote on a significant nonroutine expenditure, significant hiring decision, or tax-related matter. A multi-party meeting is one in which the members of a public body and the members of at least one other public body are participants.

Village Dissolution – The House concurred in Senate amendments to HB 331, which modifies the law regarding village dissolution by creating a method by which, after every federal decennial census, the county auditor, county treasurer, and one county commissioner would evaluate every village within the county and determine if it meets at least five of ten criteria based on what services it provides and if each elected position had a candidate running in the race over the prior decade. Villages may contract with a regional council of governments that includes at least three governments, at least two of which must be municipalities, to satisfy the service delivery provision.

If these conditions are not met, a ballot issue to potentially dissolve the village is automatically placed on the ballot at the next even-numbered general election year. If the electorate votes to dissolve the village, the existing statutory process for village dissolution is initiated.

Asset Forfeit Notification – HB 331 was amended to modify the notification requirements for civil asset forfeiture. The new requirements align with the updated county competitive bidding language in HB 497. Proper notice can be provided through publication in a newspaper, a newspaper's website, the state public notice website, or the county's website and social media account.

Drought Appropriations – SB 54 appropriates $10 million to increase state support for soil and water districts as they deal with the impacts of the severe drought that affected the southeast portion of the state for several months.

Group Homes – Language from House Bill 583 (Representatives Andrea White and Phil Plummer) was adopted into HB 315 during the conference committee. The language changes requirements for group homes for children, less a provision that would have allowed DCY to suspend a group home's license immediately. Some other provisions include requiring a PCSA to do the following:

- Respond to a call from an emergency department regarding a child in a group home within four hours;
- Visit a child placed in a group home in-person monthly (which is already required);
- Conduct a mandatory review of a child's placement if certain conditions are met (DCY will make rules outlining this process).

Zoning Modernization – HB 315 contains an appropriation of $1.5 million in the current fiscal year to allow the Department of Development to make grants to townships, municipalities, and counties seeking to modernize regulations and processes related to zoning efforts.

Election Audits and Voting Machines – The House concurred with Senate amendments to HB 74. The amendments include changes to election administration law. Two provisions most affect counties. First, election boards must conduct post-election audits for all elections instead of just general and primary elections held in even-numbered years.

The second prohibits the Secretary of State and boards of elections from acquiring a voter registration system or ballots-on-demand voting system that has not been appropriately certified under new provisions. A grandfather clause allows counties that are using such a system to continue doing so.

9-8-8 Suicide Prevention and Mental Health Crisis Hotline – The House amendment Senate Bill 211 (Senator Roegner) to include language establishing a 9-8-8 Administrator within the Department of Mental Health and Addiction Services to oversee the administration of the 9-8-8 Hotline statewide. The language also creates a fund for the hotline in the state treasury. It does not include any appropriations. The Senate concurred in the amendments, and the bill heads to Governor DeWine.

Lead Entity Definition – HB 315 changes the definition of "lead entity" for purposes of the brownfield remediation program. Under current law, each county only had one lead entity for grant applications. HB 315 expands the lead entity definition to include a county, township, municipality, port authority, conservancy district, park district, land bank, or a for-profit organization.

Capital budget appropriation fix bill passes with changes to county appropriations

The General Assembly passed Senate Bill 54 (Senators Michele Reynolds and Vernon Sykes) by a vote of 76-14 in the House and 28-1 in the Senate. During the committee process in the House, the bill became the vehicle for certain operating and capital appropriation fixes. Two of the appropriations in the bill (funding for public works reauthorization election in May 2025 and funding for drought-affected areas) are discussed above, as is one of the statutory changes (the creation of the Ohio River Commission). Other county-related appropriations in the bill are discussed below.

Pike County Capital Case – The bill appropriates an additional $600,000 for the purposes of defraying the costs of capital case litigation in Pike County.

Earmark Consolidation/Reallocation – The bill makes administrative changes to a number of capital budget funding for county projects. These include:

- Eliminating a $100,000 fund for the Medina County Radio System - Seville Tower from the Facilities Construction Commission budget and increasing the funding for the same purpose under the Office of Budget and Management's (OBM) budget by $100,000.

- Decreasing the funding for the Medina County Office Jail Safety Enhancement in OBM's budget by $100,000 and allocating $100,000 to a new fund for the same purpose in the Department of Rehabilitation and Correction's budget.

- Consolidating two earmarks for Cuyahoga County's mental health care diversion center into a single earmark.

- Consolidating three earmarks for various Preble County Fairgrounds projects into a single earmark for Preble County Fairground Stall Barns.

Elected official pay adjustment fails to find legislative home

The elected official pay adjustment proposal that CCAO and the Ohio Council of County Officials (OCCO) had worked on fell short as Lame Duck closed this week. The final proposal would have provided a pay adjustment of 5% annually through 2028, with an additional six years of a cost-of-living adjustment equal to the lesser of the actual inflation rate or 3%.

OCCO's initial proposal would have applied the pay adjustment to county elected officials, local judges, township officials, and board of elections members. As negotiations within the legislature progressed, the language was expanded to state officials (the full judiciary, the General Assembly, and the statewide elected officials).

Unfortunately, the Senate felt it did not have sufficient votes to support a pay adjustment for elected officials at all levels. Ultimately, the chambers opted not to alter the elected official pay statute, with the exception of eliminating the "with no private practice" pay table for county engineers discussed earlier in this issue.

CCAO would like to thank our members for their advocacy efforts on the pay adjustment language and on county issues throughout the 135th General Assembly. This General Assembly provided a unique challenge, but thanks to your outreach to legislators and state officials, the Association was able to make meaningful progress on a variety of important issues facing counties.