



**County
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TO: House State & Local Government: Shared Services & Government Efficiency Sub-Committee

FROM: Cheryl Subler, Managing Director of Policy

RE: HB 321, HB 322 & HB 324

On behalf of the County Commissioners Association of Ohio (CCAO), I would like to provide some thoughts and feedback on several bills under consideration by the House State & Local Government: Shared Services & Government Efficiency Sub-Committee. Specifically, I'd like to discuss the following:

- **HB 321** – Creates the DataOhio Board and specifies requirements for posting public records online.
- **HB 322** – Requires the Auditor of State to adopt rules regarding a uniform accounting system for public offices.
- **HB 324** – Establishes the Local Government Information Exchange Grant Program and makes an appropriation.

First, I'd like to thank Representatives Duffey and Hagan for being so approachable in sharing their vision and trying to find practical ways for such to be implemented. CCAO has been having ongoing discussions with the Representatives for nearly a year, and looks forward to continuing to work with them and the Sub-Committee to further fine tune the legislation before you.

Secondly, I'd like to share CCAO's thoughts on HB 321, HB 322, and HB 324 in the context of the Association's General Government & Operations Committee feedback.

Last May Representative Duffey visited with CCAO's General Government & Operations Committee to see, as he would say, what it would take for CCAO to say "yes" to his and Representative Hagan's efforts to modernize and increase transparency for state and local governments. Discussion ensued. Ideas were shared, such as the state funding an IT person for each county to assist local



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governments. Also, several officials suggested that the state should modernize and develop more efficient computer systems, particularly in the human services realm, which counties use. Also, clear standards for transparency guidelines should be available, particularly in regards to open data standards for information posted on the internet.

After much discussion, the Committee supported the Representatives' proposal to provide grants to local governments for submitting electronic information (data points) to the state, ranging from budget information to employees' compensation to economic development related-information. This concept is included in HB 324.

In regards to a chart of uniform accounts which is prescribed in HB 322, Rep Duffey shared with the CCAO Committee that the intent is to start with a permissive list of accounts and not mandate its use. The CCAO Committee recognized the need and value of having a uniform chart of accounts for comparison and benchmarking with other similar counties. Yet, the Committee also said that this undertaking will take a lot of time to initially develop; that commissioners would not want such a chart to restrict their level of budgeting; that they have concerns about transitional costs associated with budgeting software and staff time; and that county auditors obviously would have an interest in this project as well. Thus, CCAO will continue to explore this concept with the Representatives along with other interested parties.

Lastly, Representative Duffey discussed with the CCAO Committee language included in HB 321 that requires all data prospectively posted on public web sites to be done in an open data format. HB 321 also includes safe harbor language, which the Committee will be reviewing later this month, providing the following:

A public office may claim a qualified exemption from the requirements of division (G)(1) of this section, for a subset or an entire category of records, for any of the following reasons if the records commission claims the qualified exemption and amends the public office's record retention policy to reflect that claim:

- (a) Technical ability: The office lacks the technical ability to post the records in an open format;*
- (b) Resources: The office lacks the financial or other resources to post the records in an open format;*
- (c) Public policy: Conforming to the uniform standards is contrary to the public policy of the public office.*

A qualified exemption claimed under this division is not subject to a challenge. But a resident of the state may petition the public office to explain its claim to the qualified exemption.

The CCAO Committee did not support the provision in the budget bill (HB 59) requiring all data prospectively posted on public web sites to be done in an open data

format, which did not include the safe harbor provision listed above. Concerns were expressed about costs along with various implementation questions. Again, the CCAO Committee will be considering the complete proposal contained in HB 321 later this month.

However, I would note the language above from HB 321 seems to enable a public office to claim a qualified exemption, but does not seem to require the records commission to include such in the public office's record retention policy, though I would presume a commission would likely do so.

In addition, I've heard from some individuals who question the broad scope of this provision, even with the safe harbor. Some have suggested that public policy would be well served if there was more focus on the type of data the state is seeking to have posted in an open data format, rather than to have public offices spend time explaining why every type of information on a web site is not posted in such format.

Finally, I wanted to point out two provisions included in the enacted version of HB 59, and work that is currently underway relative to data standards for web posting and data collection:

Local Government Information Exchange Grant Program – Provides for a state study on posting information on public web sites as well as provides the opportunity for political subdivisions to apply for grants or loans to implement recommendations contained in the state study.

Specifically, the bill requires the Director of Administrative Services, no later than May 31, 2014, to provide a report that proposes uniform standards that should apply to a public office (as defined in ORC Section 149.011) that chooses to post public records (as defined in ORC Section 149.43) on an internet web site maintained by the public office. In developing the standards, the Director is to consider, at a minimum, the following factors:

- Any recommended technology and/or software to use;
- The projected costs of implementing and maintaining such technology and software; and
- How a public office is to post a public record on its web site, or on a public web site maintained by the state, so that the public record, or the data contained in the public record, is capable of being searched and downloaded by the public in a uniform manner. The proposed uniform standards, as articulated in the report, are to seek to incorporate, insofar as practical, related practices of the Auditor of State and of other state agencies.

The Director of Administrative Services may form, seek advice from, and consult with, an advisory committee. Members of the committee are to include, but are not limited to, representatives of state and local governments and

individuals having relevant expertise to assist in developing the report. The Director of Administrative Services is to deliver a copy of the report to the Governor and legislative leadership.

In addition, the Director of Development Services, in cooperation with the Local Government Innovation Council, is to prepare and issue to the members of the General Assembly a report that recommends various means by which the information exchange may provide local governments with insights regarding efficiency and productivity, and various means by which the information exchange may assist local governments improve services to vulnerable populations by providing insights regarding programs that benefit the poor, including general welfare support programs.

The report also is to include recommendations, developed by the Director and the Council in consultation with the Third Frontier Commission, expressing various means by which data in the information may create opportunities for private sector research institutions to develop value-added products or services that may be commercialized or create jobs, and thereby contribute to the betterment of the state economy.

(Sections 701.30, 701.40)

Local Government Efficiency Program – Establishes the Local Government Efficiency Program to be administered by the Local Government Innovation Council. Under this program, the Council may do the following:

- Award scholarships to political subdivisions (as defined in ORC Section 2744.01) employees, and make grants and loans to political subdivisions, and to regional councils of government or other similar cooperative governmental arrangements consisting of political subdivisions, for training in process efficiency programs including, but not limited to, Six Sigma, Kaizen, and Lean;
- Award grants or loans to political subdivisions to assist the political subdivisions in implementing the recommendations in the report published by the Director of Administrative Services under Section 701.30 of House Bill 59 which is described above and pertains to posting public records on the internet; and
- Award a grant, not to exceed \$200,000, to the Department of Administrative Services for the provision of training in process efficiency programs, as described in the first bullet above.

The Council is to adopt rules under Chapter 119. of the Revised Code as are necessary to administer the program, including application procedures and identification of approved training programs.

(Section 701.40)

Thank you for the opportunity to share a few thoughts with you today. As CCAO continues to review the various legislative proposals, particularly HB 321, I will be happy to update the Sub-Committee.