2015-2016 Legislative program

131st Ohio General Assembly

Updated as of December 2015 Membership Meeting
Ohio’s Prosperity Depends Upon a Strong State/County Partnership

Counties operate as local branches of state government, with most state programs and services being delegated to county government for implementation. Our success for the citizens of Ohio relies upon a strong state and county partnership. Otherwise, critical responsibilities fall short of meeting the demands of a prosperous Ohio.

Ohio’s counties have been struggling financially from the impact of the recession and tax reforms. While sales tax revenue is increasing in many counties and casino revenue is in place, the total statewide general fund dollars do not make up for declines in revenues from property taxes, interest income, conveyance fees, and tax reform losses in tangible personal property and public utility property tax revenues and cuts to Local Government Funds.

Due to the financial challenges existing over the past several years, some tools were provided in previous budgets to help county government better manage scarce resources. County commissioners have made difficult choices that have led to efficiencies for taxpayers, and we continue to propose other such reforms. That said, some impacts have been penny wise and pound foolish for taxpayers. For example, counties have had to put off necessary maintenance of public assets from public works infrastructure to courthouse repairs, vehicle maintenance, and technology investments. At the same time, the downstream impact of strained mental health and addiction systems have led to county jails serving as de facto housing for populations of individuals in need of treatment and to very expensive placements in the child protective system. Additionally, important items in need of our mutual attention are reaching important deadlines, such as the need for new election equipment, strategies to protect our drinking water, and several other items of great importance to Ohio’s future. Our 2015-2016 platform priorities provide a wide array of ways the Kasich Administration and the 131st General Assembly can do the following:

1. Make sure the important services that state government has delegated to county government can be done and done well for taxpayers by ensuring sound, stable funding levels.

2. Eliminate the requirement for counties to perform certain unfunded mandates and outdated functions.

3. Provide tools that allow county commissioners to better manage taxpayer dollars and permissive options to redesign county government’s structure.

County commissioners, executives, and council members from across Ohio spent many hours working together to identify these strategies and carefully kept one focus in mind – Ohio’s prosperity for the taxpayers we serve. We hope that you find it to be an important blueprint for Ohio’s legislative priorities over the biennium. Thank you for your consideration, and we look forward to working with you.

Suzanne Dulaney
Executive Director
Doug Corcoran
Ross County

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ADEQUATE, STABLE FUNDING FOR SERVICES AND MANDATED FUNCTIONS

For counties to perform services mandated by state law and provide services taxpayers expect, county budgets must be stabilized. Counties experienced significant revenue losses due to the effects of the Great Recession and state revenue sharing cuts. Therefore, the state should:

- Stabilize the Local Government Fund (LGF) distributions and protect them from reductions due to state tax revenue restructuring.
- Uphold existing local LGF distribution parameters among political subdivisions.

INDIGENT DEFENSE

States have a constitutional mandate to provide legal representation to indigent persons. Ohio has chosen to transfer this responsibility to its counties, initially reimbursing them for 50 percent of the costs incurred for providing indigent counsel. Today, state reimbursement stands at 40 percent. In addition, the state has significantly decreased its general revenue fund (GRF) commitment by relying on non-GRF revenue flowing into the Indigent Defense Support Fund to pay for reimbursement. $12 million in additional GRF funding would provide 50 percent reimbursement; at this 50/50 partnership level, GRF funding would total $21.6 million, which is still more than $5 million below the GRF appropriation for FY09. Therefore, the state should:

- Appropriate an additional $12 million per year to achieve a 50 percent reimbursement rate to counties.
- Begin to transition the responsibility for indigent defense from counties to the state.

ELECTION ADMINISTRATION

Administering elections has become more complex and costly. As new federal and state requirements have been enacted, there has not been adequate federal or state funding tied to certain mandates.

In addition, the Help America Vote Act after the 2000 Presidential Election mandated new election equipment be purchased. More than a decade later, this equipment is reaching the end of its life expectancy. Ohio will soon need new election equipment. Thus, CCAO is requesting:

- No unfunded mandates and funding to address existing unfunded mandates.
- The state and counties partner in purchasing new voting equipment.
- Efficiencies, such as investing in new technologies and eliminating or reducing special elections, be instituted.
KEYS TO SUCCESSFUL ECONOMIC DEVELOPMENT

Our aging infrastructure (roads, bridges and public utilities) significantly impedes economic development. Project costs to repair, replace or install necessary infrastructure far exceed the current financial capability of our counties. Counties ask the state to provide significantly greater funding support to help counties deal with the growing infrastructure crisis. Therefore the state should:

- Provide additional vehicle registration fee authority to fund road and bridge projects.
- Allocate additional public works bonding capacity for water and sewer projects.
- Re-establish the Ohio water and sewer rotary commission to help communities and their citizens who are confronted with EPA orders.

A qualified, employment-ready workforce also is a critical component of economic development infrastructure. Therefore the state should:

- Engage in a strong collaboration with its counties in workforce development programs, operation of the OhioMeansJobs county centers, and implementation of the Workforce Innovation and Opportunity Act (WIOA).
- Identify and promote best practices in workforce development.

COUNTY EFFICIENCIES, COLLABORATION & ACCOUNTABILITY

While shared services cannot provide the total answer to offset revenue reductions, enhanced collaboration needs to be promoted to achieve long term efficiencies as well as enhanced management control and oversight of the county budget. CCAO seeks the following:

- Additional authority for boards of county commissioners to require other county offices to use centralized services when it makes business sense.
- Enhanced management control and oversight of the county budget. Authority should be granted to adjust user fees, allocate general fund costs to special funds, have access to special funds when fund balances are high and during periods of fiscal stress, and charge other political subdivisions for mandatory services provided by the county.
- Rein in current authority or practices by courts and certain offices to order their budget appropriations, particularly for salary increases.

EMPOWERING INDIVIDUALS THROUGH THE DELIVERY OF HUMAN SERVICES

Counties are on the front lines delivering workforce development, employment and training, and poverty prevention and mitigation programs to low-income Ohioans. CCAO supports state and local leaders’ examination of the system to identify ways to help Ohioans receive the personalized services and skills they need to gain and progress in employment and become self-sufficient. We urge consideration of policies and resources that will enable counties to cut through red tape and meet individual needs. Mutual success will depend upon careful examination of:

- Technology and information sharing that supports a mission of helping individuals across systems.
- Resources that address barriers to employment.
- Capacity to provide addiction, mental health, and other necessary services.
- Adequate resources to appropriately staff and train the county workforce.
AGRICULTURE AND RURAL AFFAIRS

CHAIR: CHRIS ABBUHL, TUSCARAWAS COUNTY COMMISSIONER
VICE CHAIR: STEVE HESS, CHAMPAIGN COUNTY COMMISSIONER
STAFF: BRIAN MEAD, POLICY ANALYST

Agriculture is Ohio’s #1 industry, contributing more than $100 billion annually to the state’s economy and employing one in seven Ohioans. CCAO recognizes that agriculture will continue to diversify, requiring resources and innovation to address increasingly complex challenges. The industry projects there will not be enough qualified individuals to fill jobs over the next 10-20 years, so a growing awareness of the opportunities available for work in this field is something that should be communicated to our state’s work force. Water quality is an issue that is much broader than agriculture, and it is a multi-faceted problem with various contributors. The agriculture industry is taking significant steps toward reducing the amount of nutrients entering our watersheds; assuring the quality of this critical natural resource for future generations. Collaboration must be with the industry, federal, state and local governments, as well with our centers of higher education. More research and funding is needed to find solutions to these new challenges.

COMMITTEE PRIORITIES

RURAL COMMUNICATIONS INFRASTRUCTURE

Counties want to encourage and secure more reliable cell phone service as well as access to broadband capability to provide efficiency in the workplace and to their residents. CCAO supports the efforts of entities such as Connect Ohio in assisting in these efforts, particularly in rural counties facing such unique challenges due to access issues, terrain, and density. These services also are critical in attracting economic development.

Counties would like to continue to explore ways to provide cost efficient emergency services communications and secure adequate funding to provide these critical services. This can range from partnerships for radio systems and towers to appropriate implementation of Next Generation 9-1-1. Counties should have the authority to make use of utility infrastructure, such as cell, MARCS, and cable towers, for county emergency communication equipment.

Access to broadband is critical for the development of technology, enhancement of educational opportunities, delivery of healthcare and growth in commerce. Yet only 71 percent of Ohioans have access to broadband service in their homes. Ohio needs to aggressively promote access, adoption and use of broadband throughout Ohio.

The General Assembly must be committed to examining the barriers that limit access to broadband and promoting sound policies that encourage access to broadband in order to stay competitive in the national economy.

Providing reliable broadband access for the entire state, especially in rural communities, is critical in increasing economic development. CCAO supports sound state policies that encourage access to broadband.

RURAL ROAD FUNDING

While CCAO supports the expansion and development of agribusinesses as well as all industries, including new energy infrastructure development, counties need more resources and assistance to address new infrastructure demands caused by this expansion and development. County roads are impacted by the development of new industry in rural areas and the day-to-day operation of certain facilities. CCAO supports additional grants and resources from the state to help finance such infrastructure. Such grants should give consideration to the amount of roadway impacted. CCAO also supports a requirement that any industry that unduly impacts roadways consult with commissioners and engineers to identify financing for infrastructure improvements or road use maintenance agreements. These industries should exercise some responsibility when roads have been unduly impacted. CCAO also supports a restructuring of the fees and fines associated with load limits on highways to
Agriculture is working to implement the best management practices such as the 4 R’s – the right fertilizer, the right rate, at the right time, in the right place. Cover crops, manure management and effective drainage are also important. As better management practices are identified, they must be accompanied by education that gives the producers the knowledge and tools to implement new practices.

One issue that has been identified as significant is historic storm events, such as heavy rainfalls, which account for a significant percentage of the nutrients that leave farm fields and enter the watershed. These heavy rains are also consequential for point sources such as waste water treatment plant, which need funding to upgrade infrastructure.

**DRAINAGE LAW REVISION & FEDERAL RULES**

CCAO supports the efforts of the Drainage Law Task Force composed of commissioners, engineers, and other stakeholders which is actively reviewing Ohio’s drainage laws and will be making recommendations for changes. In particular, ditch procedures under ORC Chapters 1515, 6131, 6133, 6135, and 6137 need revised to clarify numerous provisions and embrace new technology and processes that would provide for greater efficiencies, fewer misunderstandings, and less unnecessary legal costs for taxpayers.

CCAO is opposed to the proposed US EPA/Army Corp of Engineers Rule to redefine the definition of Waters of the U.S. under the Clean Water Act. This rule would impact county-maintained roadside ditches, drainage conveyances, culverts, storm water systems as well as infrastructure construction and maintenance. The proposed rule would broaden the EPA’s control over county ditches.

**WATER QUALITY**

Water quality has become one of Ohio’s highest priority issues since the city of Toledo banned drinking their water August 1-4, 2014. Wastewater treatment plants, combined sewer overflows and bypasses, industrial discharges, failing home sewage treatment systems and the agriculture industry must all play a role in reducing the nutrients entering Ohio’s watersheds.

Ensuring safe drinking water should always be a priority of the state. Overflows from aging waste water treatment plants are contributing to water quality issues. More funding opportunities and increased grants are needed to upgrade aging infrastructure.

Ohio’s agricultural industry contributes $107 billion to the state’s economic growth and employs one in seven Ohioans. Thus, CCAO also recommends the state’s economic development efforts focus various incentives and or development grant monies toward development of rural infrastructure necessary to support this industry.

CCAO supports the continuation of a state funding match to incentivize investment in Soil and Water Conservation Districts (SWCDs). Appropriations for the state match program should be increased in order to return one dollar match for each local dollar invested.

SWCDs provide expert assistance to address both agricultural and urban concerns. SWCDs are locally lead by a board of five publicly elected county residents to address local priorities. SWCDs:

- Work closely with Ohio’s agriculture industry to reduce nutrient impacts suspected to contribute to hazardous algal blooms through recommending, designing and supervising construction of best management practices and through written nutrient management plans.
• Leverage federal funding from USDA and other sources for local projects. Most SWCDs can show far more money was brought into their county to pass along to landowners than was appropriated by their county commissioners.

• Assist with storm water management and flood prevention through urban programs as well as ditch maintenance, and stream obstruction removal projects. SWCD’s help county commissioners resolve citizen drainage issues.

• Install best management practices through nutrient credit trading programs helping reduce the cost of a treatment plant or point source upgrades by implementing less costly non-point source conservation practices in the watershed.

• Encourage the wise use or conservation of natural resources so they can be used by current and future generations.

**COMMITTEE RECOMMENDATIONS**

**FUNDING OF OHIO STATE UNIVERSITY EXTENSION**

CCAO supports increasing the level of state support for OSU Extension Services provided that an appropriate share of new funds will be used to relieve county general fund contributions.

OSU Extension builds better lives and stronger communities through education; supports Ohio’s number one industry, agriculture; and develops future leaders through 4-H. Each county’s Extension program is customized to meet local needs with the input of local people to most efficiently use scarce resources. In addition to agriculture and 4-H, Extension administers federally-funded nutrition education programs; helps individuals, families and businesses manage resources; and supports community development. On-farm research to study nutrient management is identifying ways to reduce toxic algal blooms in Ohio’s lakes. 4-H members gain skills that prepare them to enter the workforce through community clubs and school programs. People of all ages learn to “live healthy, live well” and better manage finances through OSU Extension.

CCAO also supports OSU Extension in recent efforts to provide flexibility in staff distribution and programming.

**FARMLAND PRESERVATION**

CCAO supports fair and equitable policies to encourage the preservation of economically viable agricultural land and protect it from urban encroachment and conflicting land uses.

Farmland preservation should be encouraged as a means to maintain a thriving agricultural industry in Ohio and foster the expansion and development of agribusiness.

The need for farmland preservation should be included in any comprehensive county land use plan and determined through a local consensus building process involving municipalities, townships, school districts, local development and business interests, farmers, and the general public.

Legislation also should be enacted to give counties the tools they need to preserve farmland and encourage quality urban development while respecting property rights. This includes legislation to allow counties to increase the period of recoupment for CAUV, with the added proceeds going towards farmland preservation efforts, agricultural economic development, comprehensive planning and infrastructure projects.
Any state program to preserve farmland should recognize the partnership between the state, local governments, and landowners, and that significant state matching dollars are needed to supplement local efforts. State programs should include technical assistance and funding to assist in local administration, monitoring, and enforcement. In addition, authority should be granted so that the holder of any new easement may charge a fee to support mandated responsibilities.

The Ohio Department of Agriculture’s Office of Farmland Preservation, in partnership with local governments and private land conservancies, should provide funding for the purchase of agricultural easements to compensate farmers for agreeing to keep agricultural land in farm production permanently. This has occurred due to the successful passage of the Clean Ohio Bond Initiative. CCAO supports a review of Clean Ohio Fund distribution between the Ohio Farmland Preservation Office and Natural Resources Assistance Councils, as well as the inclusion of farmland for eligibility in greenspace/openspace project funding. In addition, CCAO supports efforts by the Office of Farmland Preservation to ensure a simpler, user-friendly application for farmland preservation easements.

When discussing farmland preservation, we also recognize that having strong urban centers where people want to work and raise a family are important in preventing rural sprawl. In a holistic approach, the state should examine its policies and planning related to urban growth and revitalization of our urban cores.

FUNDING FOR WATER QUALITY EDUCATION AND RESEARCH

CCAO supports state funding for Ohio’s research centers to study water quality issues. Heidelberg University’s National Center of Water Quality Research, University of Toledo’s Lake Erie Center, and Ohio’s Sea Grant program, including Ohio State University’s Stone Lab, are on the forefront of studying water quality issues. These institutions work to maintain the health of Lake Erie and support the many economic activities associated with the lake. They monitor the health of the lake and seek solutions to problems around water quality, invasive species and a host of other issues.

Close working relationships with the charter fishing industry and tourism are key to continuing the economic viability of Ohio’s north coast. These research centers also train teachers, P-12 students and college students in key science disciplines and educate a new generation of consumers about the critical nature of Lake Erie’s well-being.

Ohio has many fine education centers of excellent in the field of water quality, yet more funds for research are needed to make Ohio a leader in water quality.

FUNDING OF OHIO STATE UNIVERSITY COLLEGE OF AGRICULTURE

CCAO supports adequate funding for the College of Food, Agricultural and Environmental Sciences’ (CFAES) academic programs as well as research and extension.

Agriculture is a $107 billion dollar industry for our states, so a competent agricultural work force is critical to our economic well-being. ATI, the Agricultural Technical Institute, OSU’s two-year program is the leading producer of two-year degrees in food and agriculture in the US. Well over 90% of ATI and CFAES graduates are placed in jobs or continue their education within six months of graduation. Seventy percent of those graduates remain in Ohio, keeping our #1 industry strong. CCAO supports a funding mechanism for ATI that takes into consideration the unique nature of this program – a two-year degree program within a four-year institution – so that it is able to provide job-ready grads for Ohio employers. Neither the two-year nor four-year funding formulas for higher education appropriately address ATI so a different approach to assure adequate funds is critical.

FUNDING OF OARDC

CCAO supports a continuation of state funding for the Ohio Agricultural Research and Development Center (OARDC) to continue the growth and development of Ohio’s agricultural industry, along with stewardship of the environment.

OARDC is the research arm of the College of Food, Agricultural, and Environmental Sciences of The Ohio State University and is a leader in the
AgBiosciences that integrates scientific disciplines critical to food security, safety and health; environmental sustainability; and biobased energy, fuel and products.

- The State of Ohio’s investment in OARDC leverages more than $175 M in current grants and contracts from both the public and private sectors; a more than $5 return on investment for every $1 invested.

- OARDC has a history spanning more than 125 years of providing comprehensive research and development programs to Ohioans in the AgBiosciences; this history has been critical to the growth and competitiveness of our major commodities and value-added industries as well as providing new and emerging industries the science-based information needed to solve problems impacting market sustainability.

- OARDC manages a major campus in Wooster and nine outlying research stations as well as supporting research on the Columbus campus. These locations enable OARDC to provide direct impact on economic development statewide.

- OARDC is an economic engine for Ohio that brings in federal and private-sector grant funds and helps grow businesses.

FAIRGROUND FUNDING

CCAO supports the renewal of state funding for county and independent fairground improvements. These facilities are often one of the most important economic development tools a local government has and highlight the largest industry in Ohio.
GENERAL GOVERNMENT AND OPERATIONS
Chair: John O’Grady, Franklin County Commissioner
Vice Chair: Bob Corbett, Champaign County Commissioner
Staff: Cheryl Subler, Managing Director of Policy

COMMITTEE PRIORITIES

UNFUNDED MANDATES

Unfunded mandates are laws or policies enacted by the federal or state governments that require governments at the next level down to spend money. All bills that Ohio’s General Assembly enacts imposing new or additional requirements on counties should be fully funded by a state appropriation.

In addition, Ohio’s General Assembly has a process in place to help inform lawmakers when unfunded mandates are contained in most legislation under consideration; however, “local impact statements” prepared by the Ohio Legislative Service Commission are not required for state budget bills. Such analysis should be done prior to laws being enacted for possible impact on local governments.

In addition, the General Assembly should modify or fully fund the following onerous or outdated mandates on county government:

Indigent defense

While some improvement has been made in bolstering the state’s commitment to reimburse counties for the cost of indigent defense, the reimbursement remains below the 50 percent partnership benchmark, at an estimated rate of 40 percent. CCAO urges the state to continue to move in this positive direction and eventually transfer responsibility from counties to the state.

Conducting elections

As new federal and state requirements have been enacted, there has not been adequate federal or state funding tied to certain mandates. CCAO is very concerned about the compounding nature of these mandates, and urges full funding for requirements passed on to counties.

CCAO seeks elections efficiencies, such as investing in new technologies as well as eliminating or reducing special elections.

Absent such funding from the state, and given the unique power of local boards of elections to seek judicial relief in budget deliberations, CCAO recommends boards of election members and staff become state employees and the state fund election services.

CCAO also recommends a financial impact statement be shared with counties and the legislature prior to the adoption of any directive from the Secretary of State.

The Association also advocates for curtailed special elections or, in the event they cannot be limited, a requirement that the political jurisdiction necessitating such election pay the county a percentage of the estimated cost of the election in advance.

In addition, CCAO supports consideration of potential cost-saving measures such as elections by mail. Furthermore, there should be discussions about the growing demand for public records in board of elections offices just prior to Election Day and ways to mitigate the growing strains and expenses while responding to the public in a timely, positive manner.

County health department office space

Office space costs of general health districts should become operating costs of the district in the same way such costs are classified in combined health districts; this would impact 28 of the 88 counties. In addition, the use of voted health levies to fund office space costs should be specifically authorized, thereby providing an additional means to eliminate the unfunded mandate on the county general fund, since counties are not required to provide money for health departments’ operating budgets.
administration and additional opportunities for voters to cast their ballot have not resulted in a proportional increase in overall voter participation. CCAO continues to support the bi-partisan Ohio Association of Elections Officials’ recommended schedule for early voting which was instituted for the November 2014 election.

Investing in new voting equipment will need to be a partnership between the state, county boards of elections, and county commissioners.

A second concern is the upcoming need to replace voting equipment largely purchased with federal HAVA dollars and some state support years ago. Investing in new equipment will need to be a partnership between the state, county board of elections, and county commissioners.

Another challenge is that boards of county commissioners, which are the budgetary authority for most county operations, do not have control over appropriations to the boards of elections. Ohio law enables a board of elections to apply to the court of common pleas to fix the necessary and proper expenses of the board of elections pertaining to the conduct of elections. During the 126th General Assembly, the phrase “pertaining to the conduct of elections” was added to help qualify when court relief could be sought. Until this language is clarified through court interpretation, it will be hard to predict how the scope of court action was limited. Except for the judiciary, other county boards and offices usually do not have statutory authority to challenge appropriations.

In addition, county commissioners have limited discretion in considering transfers between line items boards of elections request. CCAO appreciates efforts made in the 126th General Assembly so that boards of elections independently cannot transfer funds between line items. While this is an improvement, we ask the state to recognize that the financial relationship between a board of elections and board of county commissioners relating to transfers is different from other county elected officials’ offices and county agencies.
Therefore, CCAO advocates that the requirement of holding the professional surveyors license be dropped as a requirement for election to the office of county engineer. Additionally, we request that the law provide the county engineer may hold a professional surveyors license or may hire a person on staff who holds a professional surveyors license, or may, with the approval of the board of county commissioners, contract for services of a professional surveyor.

**E-COMMERCE APPLICATIONS FOR COUNTY GOVERNMENT**

CCAO supports permissive enabling legislation that allows counties to use the full power of the internet to conduct county business. This legislation should provide a broad range of options for counties, including the development of systems by counties, the ability to contract with the private sector to provide services, and the use of county credit cards to purchase items from online sellers, i.e., Amazon.

The legislation should allow for the sale of delinquent real property on the internet. To the maximum extent feasible, the legislation should promote economies of scale and coordination of services by requiring commissioners to publicly bid opportunities for county internet business with internet service providers on behalf of county offices.

Recent legislative action has furthered efforts to reduce and minimize newspaper advertising requirements. CCAO supports additional modernization changes so that all county legal notice requirements could use the same reduced approach authorized for counties’ competitive bid process. Specifically, counties seek the ability to publish one legal notice in the newspaper and to satisfy the second notice requirement by publishing electronically.

**COUNTY COURTHOUSE RESTORATION AND FACILITIES FUNDING**

CCAO supports a state-sponsored building program to help fund and finance the restoration of county courthouses, as well as to develop county administrative offices. In addition, CCAO is exploring expanded financing options to support restoration efforts.
ELECTED OFFICIALS BONDS AND PERSONAL FINANCIAL LIABILITY

CCAO supports changes to the elected officials bond statutes that increase the amounts of bonds required to reflect the effects of inflation. The law also should be standardized to provide for central filing and maintenance of bonds.

In addition, CCAO supports changes concerning the personal financial liability of elected officials for the dishonest acts of their subordinates or for the failure of their subordinates to faithfully perform their duties under ORC Section 9.39 to more closely conform to the standard of liability in Ohio’s Political Subdivision Tort Liability Law, which provides for liability in cases of willful and wanton misconduct.

COUNTY ELECTED OFFICIALS COMPENSATION

CCAO supports an extension of the annual cost of living adjustments for county commissioners and other county elected officials.

Ohio law sets the salaries for county commissioners, along with other county elected officials, judges, boards of election members, and township officials, coupled with statewide officeholders and state legislators. Such offices received an annual adjustment through 2008 that equaled the lesser of 3 percent or the consumer price index.

These statutory cost of living increases ended in 2008, and the Legislature and Administration should take action to extend these conservative adjustments as well as to modernize the county pay class structure by reducing the number of classes, which are based on county population.

In addition, CCAO urges that legislation be enacted to ensure that all three commissioners in a county receive the same compensation every year in the future. Because of their split election cycle (i.e., two commissioners elected in the year of the presidential race, and one commissioner elected in the year of the governor’s race) and timing of legislatively-enacted pay bills, there have been occasions when one commissioner has been closed out of a salary increase for two years and, as a result, has earned less than their two colleagues for doing the same job. Commissioners in a county should make equal pay. Keep in mind that an elected official cannot accept a legislatively established salary adjustment in the middle of a term of office.

PERMIT COUNTIES TO ENTER INTO SALE AND LEASEBACK CONTRACTS FOR COUNTY BUILDINGS

CCAO supports legislation to permit a board of county commissioners to enter into an agreement for the sale and leaseback of county buildings. Such agreements may include provisions for the lessor to make improvements to such buildings as a condition for such an agreement, including but not limited to renovations, energy conservation measures, and other measures necessary to improve the functionality and reduce the operating costs of the building(s). This authority would be similar to the authority granted by law to state universities and transit authorities and is intended to provide counties with flexible options for rehabilitating buildings and lowering costs.

LEASE OF COUNTY REAL ESTATE

CCAO supports legislation to permit county commissioners to lease real property, as well as county-owned towers, to telecommunication companies for a period of up to 30 years.

ANIMAL PREDATOR CLAIMS

Recently the state stopped reimbursing owners whose animals were killed by coyotes and black vultures. Counties seek similar parity and ask that the law be changed so counties are not responsible for compensating owners for injuries caused by dogs.

In addition, county dog wardens should not be required to investigate claims without reimbursement from the Department of Agriculture. The state should be required to assume statewide responsibility for control of wild animals, including exotic animals.

DANGEROUS DOG LAWS

With the passage of HB 14, Ohio’s Dangerous and Vicious Dog laws were revised. No longer were “pit bulls” automatically classified a dangerous dog.
The legislation set up criteria for nuisance, dangerous and vicious dogs. These new classifications have caused Ohio to essentially allow “one free bark, one free bite and one free kill,” for any dog that is not already registered as a type of dangerous dog. CCAO supports a legislative solution to make it easier to prosecute an owner of any dog that mauls or causes significant harm or death to a citizen.

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**DOG REGISTRATION**

CCAO supports continued flexibility in the dog license renewal process. The association also supports “point of sale” registrations to enhance compliance with Ohio’s dog license requirements.

**HUMANE SOCIETY ABILITY TO APPOINT ATTORNEYS TO PROSECUTE & COMMISSIONERS PAY EXPENSE**

Ohio law permits humane societies to appoint an attorney and may also employ one or more assistant attorneys to prosecute violations listed in ORC Section 2931.18, including prevention of cruelty to animals or children. Such attorneys are to be paid out of the county treasury in an amount approved as just and reasonable by the board of county commissioners. CCAO is requesting this mandate be eliminated or to at least change the law to require the consent of the board of county commissioners.

**COUNTY DATA BOARD/INFORMATION SERVICES**

Legislation enacted decades ago allowing for the establishment of the county automatic data processing board is outdated and reflective of past technology. Legislation should be enacted giving county commissioners additional organizational options for data processing, information services, and records management.

The first option is to allow the board of county commissioners or the data board itself to appoint the chief administrator of the data center by amending ORC Section 307.844, which currently designates the county auditor as the appointing authority.

The second option is to allow the county commissioners to establish a county information services board to replace the data board, microfilm board, and records commission and to allow the commissioners or the county information services board to appoint the chief administrator. The county information services board would assume all information and records related functions of these separate boards.

**PUBLIC RECORD STATUS OF 9-1-1 TAPES**

9-1-1 tapes should not be subject to release as a public record in the case of death, accident, illness, or similar event until relatives of the affected party have been notified. 9-1-1 tapes also should not be subject to release until the prosecutor determines whether they will be used for criminal prosecution and, after petitioning a court, the court prohibits their release. After conclusion of the legal proceedings, the tapes will then become subject to release.

**COMMISSIONERS SUNSHINE LAW**

CCAO supports clarifications to the Sunshine Law that require full compliance when the commissioners perform legislative-type functions, but exempts executive and administrative functions. Legislation also should provide that commissioners may attend meetings and social functions for organizations like the Farm Bureau and the Ohio Township Association along with other non-legislative functions to which commissioners are invited.

In addition, CCAO supports exploring more opportunities to utilize teleconference or videoconference capabilities which recently was authorized by law for certain joint county ditch maintenance meetings. Such circumstances could include emergency-related situations, regional collaboration related meetings, or other joint jurisdictional meetings.
PUBLIC RECORDS IDENTITY THEFT PROVISION

CCAO commends the General Assembly’s commitment to preventing identity theft that can occur from public records requests. CCAO has worked with numerous local government officials, law enforcement, and legislative members in drafting legislation to accomplish this goal. Because county governments handle such vast amounts of the public’s sensitive, personal information, CCAO supports legislation allowing, but not requiring, county governments to use cost recovery for redaction and masking technologies.

RECORD RETENTION MANAGEMENT

CCAO supports continued changes to retention requirements enabling cost-saving methods for storing and maintaining public records.

REDUCTION IN CERTIFIED MAIL REQUIREMENTS

CCAO seeks a reduction in certified mail requirements. Certified mail between county offices should not be required. And, other means of communication should be allowed first to reach individuals, such as email and regular mail in certain circumstances.

RESTORATION OF THE PUBLIC DUTY RULE/REDUCING LIABILITY EXPOSURE

Based upon the Ohio Supreme Court’s decision in Estate of Graves v. City of Circleville (2010-Ohio-168), a county employee is potentially liable for their conduct which is found to be wanton and reckless even where that employee did not owe a duty to an individual member of the public. While sovereign immunity protects county employees in instances of mere negligence if a county employee can be shown to have acted wantonly or recklessly in the performance of a duty they are required to perform, under statute they may be held liable for their actions. The determination of whether a county employee’s actions amount to wanton or reckless conduct is a question of fact that usually requires a jury trial.

We seek a restoration of the public duty rule to protect county workers in performing the tasks of their already very difficult job. A deputy sheriff acting to protect citizens or a children service agency worker acting to protect a child’s interests should not be hampered by the fear of being held liable for their actions stemming from a mistake the deputy or worker did not intentionally make.

COUNTY EMPLOYEE RELATIONS

Counties are requesting various changes in Ohio’s laws to help employers manage county offices in a cost-efficient manner for Ohio’s taxpayers, including more options in establishing alternative leave schedules.

In addition, Ohio’s collective bargaining law needs to be brought into line with the National Labor Relations Act (NLRA). The playing field should be leveled between employers and employees in this area. In addition, counties seek the ability to go to common pleas court as opposed to binding arbitration (to resolve disputes around collective bargaining).

EMPLOYEE COMPENSATION

At a time when many county appointing authorities are freezing salaries or reducing them through furloughs, there remains the ability, and the occurrence from time-to-time, whereby certain county appointing authorities go against the norm in the courthouse to control spending and provide salary adjustments to their staff. These increases can come by way of a judicial court order to a board of county commissioners for more money in the personnel line item or by other appointing authorities who have the ability to seek court action.

Therefore, CCAO seeks the ability for a board of county commissioners to moderate the ability of the common pleas court and its divisions along with the board of elections, the county prosecutor, and the veterans service commission from granting pay raises that exceed the annual percentage amounts approved by the county commissioners for the other county elected officials’ staff salaries.
In addition, CCAO seeks the following benefit changes:

- Provide counties with similar authority the state has, so that an employee can choose to receive their payout of accrued but unused leave time in two calendar years, as opposed to one.

- Limit the amount of vacation time employees can accumulate and carry on the books at any time to an amount not to exceed what can be earned in two years at the current rate of accumulation based on years of service.

- Specify that the sick leave schedule provided in the Ohio Revised Code provides the maximum amount of sick leave that can be granted to an employee in the absence of a collective bargaining agreement. Case law has interpreted the statutory provisions to be a minimum floor.

- Clarify that an appointing authority can provide a cash incentive to employees to induce retirement.

**WORKERS’ COMPENSATION**

CCAO supports and will work with a coalition of public and private employers to streamline and reform the Ohio workers’ compensation system to reduce opportunities for abuse, control costs, encourage workplace safety efforts, and ensure that workers who need help get it quickly and efficiently. Counties will continue to explore alternatives to provide workers’ compensation savings when possible.

In addition, counties seek the following:

- Authority for a group retro sponsoring association to manage the finances relating to assessments and refunds.

- Allow employers who elect to be self-insured for workers’ comp to purchase aggregate stop loss coverage in order to manage the financial risk.

- Collaborate with the bureau of workers’ compensation and other public employer associations to enhance the current group rating, group retro, and self-insurance programs, and to explore the feasibility of other options such as employer association sponsored group self-insurance programs.

**UNEMPLOYMENT COMPENSATION**

CCAO seeks changes to the unemployment compensation (UC) rating system that grants reimbursing employers similar appeal rights to contributory employers – particularly for non-separating reimbursing employers who are still employers of record in a claimants’ benefit period. CCAO also supports revisiting eligibility criteria to receive UC benefits in Ohio. In addition, CCAO recognizes that some relief has been granted to employers of seasonal workers, and CCAO supports legislation to exempt seasonal and temporary workers from unemployment compensation.

**CONFIDENTIALITY OF PERSONNEL FILES**

CCAO supports legislation to restrict access to public employee personnel information, except disciplinary action and performance evaluations.

**DRUG TESTING**

CCAO supports authority enabling counties to conduct drug testing programs as a way to improve employee performance and safety in the workplace such as random testing on a lottery basis, testing after accidents, and post offer /pre-employment drug testing of prospective county employees. Testing in such realms is limited based on Constitutional provisions, but some testing can be conducted based on certain job duties and conditions.
HEALTH AND HUMAN SERVICES

Chair: Paula Prentice, Summit County Council Member
Vice Chair: Otto Nicely, Defiance County Commissioner
Staff: Laura Abu-Absi, Senior Policy Analyst

COMMITTEE PRIORITIES

PARTNERSHIP IN DELIVERING HUMAN SERVICES PROGRAMS

In partnership with the state, counties operate a host of human services programs aimed at helping county residents achieve and maintain employment, protecting children and older adults, preventing the need for public assistance, collecting child support, and when necessary, providing food, clothing and shelter. Enhancing the state and local partnership around these programs enables better collaboration and coordination of services between the state and counties, as well as both across and within county borders.

Every year, 1 in 4 Ohioans will rely on their county’s job and family services department for assistance.

County human services agencies have been leaders in sharing services and redesigning service delivery. Most agencies are operating on reduced staff from where they were pre-recession despite more Ohioans qualifying for programs like food assistance, while providing more intensive services like employment and training programs in an effort to help individuals find employment and no longer rely on public assistance programs.

As such, in partnership with the state, human services agencies have begun to redesign service delivery and collaborate and share services in unique and innovative ways. From creating joint county job and family services departments, to standardizing processes and technology, to sharing specialized staff, to instituting case-banking and other collaborative approaches between counties, county JFS departments are continuing to innovate in an effort to maintain the effective delivery of services to Ohioans in need.

A WORK-FIRST APPROACH TO JOB AND FAMILY SERVICES

County departments of job and family services provide core services to families, children, and adults throughout Ohio. Included in these core services are food assistance, Medicaid, Ohio Works First cash assistance, child welfare, child support enforcement, and child care.

While these programs are designed to provide services to Ohioans in crisis, a longer-term goal is to address the root cause of the crisis and prevent the need for services in the future. For instance, county JFS caseworkers are not just deeming individuals eligible for cash assistance or food assistance – they’re helping enroll applicants into appropriate work activities to minimize that family’s need for public assistance in the future. County public children services agencies are not just removing children from their homes when neglect occurs – they are working to meet the complex needs of both the children and parents, from drug addiction to parenting skills, to minimize trauma to children and keep families together whenever safely possible. Having a workforce able to deliver these services effectively takes resources to ensure county staff have appropriate caseloads and training.

In order to ensure counties are providing a work-first approach to public assistance programming, CCAO urges the Governor and General Assembly to maintain county funding levels and flexibility between funding streams to the extent possible under federal law, so that each county can prioritize services based on the local need and demand for those services. For example, the county TANF allocation should be maintained, and initiatives such as the Ohio Works Incentive Program and TANF Summer Youth Program should continue. Additional work supports such as child care should be appropriately funded out of the state’s general revenue fund in order to maintain employment and training initiatives, as well as Prevention, Retention and Contingency-type services.
CCAO appreciates the efforts and leadership of the Governor, the Office of Health Transformation, and the Departments of Job and Family Services and Medicaid for their efforts to create a streamlined and efficient eligibility determination system for Ohio’s public assistance programs. The Ohio Integrated Eligibility System, referred to as Ohio Benefits, will eventually streamline much of the eligibility work being done by county JFS departments today. However, the implementation of the new system is taxing to already-stretched county workers.

The Governor and General Assembly should continue to appropriately support counties for the on-going implementation of the Ohio Integrated Eligibility System (“Ohio Benefits”) as well as increased demand on county departments per the Affordable Care Act. Appropriate support includes maintaining an enhanced Medicaid match rate as well as continuing an additional state GRF investment of $7.2 M per year for Medicaid-related income maintenance costs in the SFY 2016-2017 biennium.

It is essential that counties have a seamless eligibility process for individuals in need of public assistance. CCAO appreciates efforts to modernize current county human services operations and make them more efficient. CCAO continues to support modernization and efficiency initiatives that provide counties with the tools (developed with county insight) to administer programs as effectively as possible.

ADULT PROTECTIVE SERVICES

Counties are charged with providing a uniform adult protective services program for older adults who require protection from abuse, neglect, or exploitation. Counties are the logical delivery mechanism for adult protective services due to the close proximity necessary to investigate allegations of abuse and neglect and the legal relationships with prosecutors, sheriffs, and courts to enforce protective services.

Elder abuse requiring adult protective services interventions can range from physical abuse, to emotional or verbal abuse, to self-neglect, to financial harm or exploitation.

Ohio’s senior population will increase close to 50% by 2030.

1 in 9 seniors report being abused, yet elder abuse is widely underreported.

As a result of Am Sub HB 483 (130th General Assembly), $10 million dollars will be infused into Ohio’s adult protective services (APS) system. Additionally, a workgroup was created in statute to review programmatic and funding gaps in the APS system and make recommendations on how to better improve the system. Commissioners maintain that in order to ensure victims of elder abuse can be assured the delivery of core adult protective services, the state must financially support the administration and delivery of such services. Otherwise, too many counties are put in the very difficult position of having to choose between funding children services and adult protective services.

CHILDREN SERVICES

One of the most difficult challenges facing county commissioners is the administration of programs and services for children who are abused, neglected or dependent. Whether children services are operated by the county department of job and family services or a separate children services board, the board of county commissioners ultimately has responsibility for protecting children in the county from abuse and neglect. Some counties have successfully passed levies and/or committed county GRF to fill the void, while others have had to make do with considerably fewer resources.

Given that the state only contributes 10% to the full cost of child welfare in Ohio, and is one of the last in the nation in terms of state support for child welfare,
CCAO strongly urges the Administration and General Assembly to improve the basic investment for child safety, family stability, and permanency. CCAO is particularly concerned about the large burden put on counties to ensure child safety even upon cuts to local government funding.

**Nationally, Ohio is 1st for local child welfare contributions.**

**Meanwhile, the state of Ohio ranks 50th for per capita investment.**

An increased state investment in child welfare would mean providing the personnel to deliver much-needed services, including family-centered case management and other services designed to prevent the need to take children out of their home and into substitute care.

By reforming their practice, Ohio county public children services agencies can safely reduce the number of children entering substitute care – a traumatic and costly action – and focus instead on timely permanency for the children that do need out of home care. County agencies’ focuses include implementing alternative response and partnering with families to safely wrap services around them to prevent placement, supporting relatives and other kin to prevent children from being placed with unrelated foster or congregate care, and aggressively seeking permanent adoptive homes when children cannot be reunified with their birth family and kin is unavailable. Unfortunately, many counties have had to reduce or eliminate these best practices due to exorbitantly high placement costs – meaning higher expenditures and poorer outcomes in the long run.

CCAO also urges caution in terms of the introduction of new mandates – programmatically, administrative, or otherwise – without sufficient monetary and technical support on already-strapped county human services agencies. Because the situation in child welfare has many local variables, including judicial practice and availability of local funds, giving counties the flexibility to produce the best outcomes within local parameters is most appropriate.

**The Impact of Alcohol and Drugs on the Child Welfare System**

Children of parents with unmet behavioral health needs are too often traumatized from the experience of living with those parents as well as being removed from the home for their safety and well-being. These children often have mental health needs due to this trauma, and finding available and appropriate trauma-informed care can be difficult.

In the meantime, over half the children of drug-addicted parents who have been taken into the county’s custody are in placements over 300 days, as opposed to their counterparts who are in custody, on average, for 75 days. This is due to the fact that in order to reunify children with their families – proven to be the best outcome for kids whenever it is safe to do so – the parents must first receive appropriate and timely treatment for their addiction and mental health needs.

Strategies that can be implemented on the local level to address the specific needs of addicted parents who have children in the child welfare system can help curb the trend of traumatized children staying in care longer, and exiting care without their trauma being adequately addressed. For example, providing counties with the ability to train and house expertise such as addiction and behavioral health specialists within county agencies, providing a case manager to engage with other local partners on specific, complex cases, using trauma-informed care for children, and working with families as opposed to individuals within systems are all strategies to help meet this end.

**CHILD SUPPORT**

Ohio’s child support system impacts one in every three children in the state. Only the public education system touches a larger number of children than this program.

Counties have worked successfully to increase overall collections and paternity establishments, resulting in a higher standard of living for many children. The more successful we are in child support administration, the less likely families will need other social service programs, given that a family with an established
A family with an established child support order will go off of Ohio Works First (cash assistance) three times faster than one without.

child support order will go off of Ohio Works First (cash assistance) three times faster than one without. Federal and state funding cuts to the child support program in recent biennia have meant that child support enforcement agencies have lost the ability to help obligors meet their funding obligations to their children. CCAO urges the state to fund agencies so that they can serve obligors with person-centered case management.

By helping an obligor who has recently lost earned income, either by directing them to other services or adjusting the order to a more affordable and sustainable level, obligors are more likely to remain engaged with their families and keep current on their support orders.

In addition, CCAO supports the streamlining of administration of county processes for county agencies including the provision of notices and modernization of child support forms; the enhancement of technology for customer access to allow agency staff more time to provide person-center case management; and, urges implementation of the recommendations of the Guidelines Council.

CHANGES TO THE COUNTY VETERANS SERVICE COMMISSION LAW

CCAO supports initiatives to review the law and operation of Veteran Service Commissions to be sure enhanced and coordinated services are available to our brave men and women of the Armed Services returning home. The mandate contained in ORC Section 5901.11 to fund the Veterans Service Commission at a level of up to five-tenths of a mil per dollar on the assessed value of the property of the county should be studied by the Department of Veteran Services in an effort to identify alternative funding options to replace current county funding. We support the enhanced ability for the boards of county commissioners to review and revise the budget of the Veterans Service Commission, especially as it pertains to the administrative and operational expenses of the Commission.

As it relates to operational expenses, there is a special need to be sure that the Veterans Service Commission does not have the authority to provide for staff compensation increases that exceed the average increase provided to other appointing authorities through the appropriation process. Additional checks and balances are needed to ensure that needy veterans are receiving essential financial assistance and other services in a cost efficient and responsible manner that fully utilizes other health, human service, and employment programs. The Department of Veteran Services should provide funding for any training that is mandated by the department. Finally, boards of county commissioners should become the appointing authority for members of Veteran Service Commissions.

FAMILY & CHILDREN FIRST COUNCILS

Counties have worked diligently to piece together a seamless delivery system for families seeking assistance for their children out of a patchwork of state and federal programs that tend to leave gaps, create overlaps in services, and often contain conflicting regulations. Local Family and Children First Councils work to reduce duplication of services and to help families navigate health, social, and human services. In order to perform these coordinating functions, each county, regardless of size, was traditionally allocated $20,000 to administer Family and Children First Councils. This amount was reduced to $16,257 in FY 10, $17,069 in FY 11, and was even further reduced to $15,750 each year in the FY12/13 biennium and remained at the lesser amount in the FY14/15 biennium. CCAO recommends appropriately funding the administration of local Family and Children First Councils.
LOCAL HEALTH DEPARTMENTS

CCAO supports giving boards of county commissioners discretion regarding the submission, type of property tax levy (renewal, increase, reduction, replacement), millage, and duration of property tax levies submitted to the voters for the purpose of funding a health district.

Should this discretion not be granted to boards of county commissioners, it is important commissioners should remain the levy authority, in order in part to maintain accountability of the entities requesting additional tax dollars, and to facilitate a public forum in which health officials may discuss their levy request and the reasons why it is warranted.
JOBS, ECONOMIC DEVELOPMENT AND INFRASTRUCTURE

Chair: Tim Bubb, Licking County Commissioner
Vice Chair: Judy Dodge, Montgomery County Commissioner
Staff: Brian Mead, Policy Analyst & Brad Cole, Managing Director of Research

COMMITTEE PRIORITIES

INFRASTRUCTURE AND ECONOMIC DEVELOPMENT

Labor supply, water supply and energy supply are three of the critical elements of infrastructure that factor into successful job creation, job retention, and economic development.

Counties are dedicated to knowing their employers and meeting their needs. Counties aggressively strive to develop an appropriately trained labor supply and offer community assets that provide a quality of life that attracts employees. Counties seek a strong collaboration with the state in workforce development programs, operation of the OhioMeansJobs county centers, implementation of the Workforce Innovation and Opportunity Act (WIOA), and the identification and promotion of best practices in workforce development.

The algal blooms that formed during the summer of 2014 and impacted the City of Toledo’s water supply illustrated the challenges that our aging infrastructure is facing to adequately provide potable water for both our citizens and the commerce that relies on water. Project costs for new construction and repair or maintenance of our water and sewer infrastructure far exceed the financial capacity of the counties and local governments to incur these obligations. The state must find ways to address this challenge and facilitate payment of these project costs. Counties ask the state to consider allocating public works bonding capacity to these projects, reestablish the Ohio water and sewer rotary commission, and provide significantly greater funding support for governments and citizens confronted with EPA orders to install water and sewer systems.

A reliable energy supply is critical to economic development and the retention of commerce and industry. However, there is growing uncertainty of access to affordable power and concern that an unmet demand for power may short circuit the economic recovery in progress. Efforts must insure that base load generation of electricity will support demand and assure that power supplies are sufficient throughout all regions of the state. While counties encourage the development of alternative and renewable sources of energy, they recognize the importance that pursuing clean coal technology will have on the Ohio economy.

WORKFORCE DEVELOPMENT

One of the inherent responsibilities of county governments and their boards of commissioners is facilitating economic development by creating a positive business environment which is conducive to job creation. The counties value the state’s partnership in this endeavor.

Counties are actively engaged in constructing infrastructure, providing a trained workforce that meets employers’ needs, assuring a competitive tax structure, and developing community assets that provide a quality of life that is attractive to employers.

A locally-driven, state-monitored approach to workforce development activities truly is common sense.

Ensuring Ohio has a qualified, employment-ready workforce is a critical component of economic development success in any part of the state. County government in Ohio has played a critical role in local economic development initiatives and implementing many human services programs aimed at helping residents obtain, maintain, or improve their employment.
Commissioners are also able to provide leadership across local workforce development practitioners, including business, one-stops, education, and others. County commissioners are in a unique position to ensure their county and region are able to meet the needs of both existing and potential employers.

Flexible, responsive dollars

Long overdue, Congress has reauthorized federal workforce development programs by passing the Workforce Innovation and Opportunity Act (WIOA), which will begin to take effect in 2015. WIOA provides better alignment between programs and more flexible funding for important workforce development programs such as incumbent worker training.

One successful component of WIA that continues in WIOA is the focus of a locally-driven system under the direction and control of elected local officials. This is a sound policy approach that should be recognized as the state implements the new workforce law, as local officials are in the best position to understand the pressing workforce development needs of both businesses and individuals.

Better collaboration between workforce programs at the state level is facilitated in part by WIOA and the development of a unified state workforce plan. However, the state must show leadership in urging the same level of collaboration between the state’s incumbent worker training programs and OhioMeansJobs county centers. This will allow businesses that have demonstrated a need for incumbent worker training to be better serviced at the local level.

Commissioners encourage that any discretionary funding out of Ohio’s WIA allocation the state has set aside should remain as flexible as possible to allow the state to best meet businesses’ needs as they arise, rather than being put into a specific program with additional restrictions.

Common sense performance measures

Commissioners believe that many one-stops are working efficiently and competently with local businesses to respond to business needs and get people back to work. As the state develops its workforce development success measures to gauge both state-wide and county performance in the key workforce programs of WIA/WIOA and other federal/state programs, counties encourage a comprehensive look at the best practices driving success on the local level.

Local needs warrant local decisions

In addition, state-led changes to the workforce system should not undermine the positive working relationships that many one-stops have built with their local business communities; nor should they undermine the relationships and collaborations many counties have created with one another.

Businesses do not care about what lines are on a map – nor should they. In order to meet businesses’ needs, one-stops and workforce investment areas must continue to have the flexibility to partner with different counties and areas who fall outside arbitrary, bureaucratic boundaries, and instead work across systems to meet both local and regional needs. In addition, CCAO believes any changes made to the workforce system should be to benefit the experience of businesses in Ohio.

Commissioners caution against a one-size-fits-all approach to workforce development policy in Ohio – given the vast differences in both the economies of and effective strategies within the various counties of Ohio, a locally-driven, state-monitored approach to workforce development activities truly is common sense. For example, rather than create state policy in reaction to one or two workforce areas or even one-stops that may be incompliant or failing to succeed according to performance measures, the state should use its capacity to look at such options as performance improvement plans.
In addition, we encourage the state to take on the role of sharing best practices and replicable examples of successful strategies to both respond to businesses’ needs and get people back to work.

**WATER QUALITY**

Lake Erie is not only one of Ohio’s greatest natural treasures, but it is also a natural treasure for the United States and Canada. Water quality has become one of Ohio’s highest priority issues since the city of Toledo banned drinking their water August 1-4, 2014 due to harmful algal blooms. Water quality is a multi-faceted problem with various contributors. Wastewater treatment plants, combined sewer overflows and bypasses, industrial discharges, failing home sewage treatment systems and the agriculture industry must all play a role in reducing the nutrients entering Ohio’s watersheds.

Collaboration must be with the agriculture industry, federal, state and local governments, as well as our centers of higher education. More research and funding is needed to find solutions to these water quality challenges.

Excess nutrients, especially phosphorus, are the cause for increased algal blooms in Lake Erie and many of Ohio’s interior lakes including Grand Lake St. Marys and Buckeye Lake. The primary sources of phosphorus are associated with combined sewer overflows, construction activities, storm water runoff, excess lawn care fertilizers, and agricultural runoff from fertilizer applications and manure applications.

Agriculture is working to implement the best management practices such as the 4 R’s – the right fertilizer, the right rate, at the right time, in the right place. Cover crops, manure management and effective drainage are also important. As better management practices are identified, they must be accompanied by education that gives the producers the knowledge and tools to implement new practices.

One issue that has been identified as significant is historic storm events, such as heavy rainfalls, which account for a significant percentage of the nutrients that leave farm fields and enter the watershed. These heavy rains are also consequential for point sources such as waste water treatment plant, which need funding to upgrade aging infrastructure.

Where environmental regulations such as the Clean Water Act are concerned, local governments have a critical need for clarity, predictability, and consistency; for policies that reflect scientific consensus; for common sense enforcement; and for careful cost-benefit analysis as part of the policy making process. At the same time, CCAO understands that fair and reasonable environmental regulations must be balanced with responsible stewardship of our natural resources.

Agencies and communities are being hampered by a prescriptive approach to evaluation of local financial capability used by enforcement officials of the federal government. The federal regulatory framework is being applied in a way that fails to adequately consider local economic conditions and the need for effective prioritization and scheduling of significant water quality investment. This federal approach has already produced, and if unchecked will continue to produce, unprecedented wastewater rate increases across Ohio, significant community disruption from construction programs and, in many cases, limited incremental improvement in overall water quality. Given the current economic conditions these programs could have a devastating effect on the state’s economic development goals.

Financial capability assessments for Ohio’s local governments should be based on the basic principles reflected in EPA guidance, but should further evaluate appropriate unique local conditions that apply to the community by quantifying all relevant economic factors impacting financial capability, including: housing burden, state and local tax burden, impacts on business competitiveness, projected population and employment trends, poverty and low income populations, community construction impacts, availability of local contractors, construction inflation, and historical water quality investments.

While U.S. EPA guidance does not permit evaluation of these critical economic factors, ORC Section 6111.60 is a step in the right direction in terms of requiring Ohio EPA to consider such factors when issuing permits and evaluating plans for aging sewer infrastructure and leaky collection systems, but the statute is not binding on the federal government.
Local financial impacts are best evaluated by local officials, not the federal government. The framework for evaluation of local financial capability should be a joint state-federal framework that assigns primary responsibility for defining water quality investment implementation schedules to Ohio wastewater agencies and their local and state officials, who can base schedules on their assessments on the financial capabilities of, and implementation impacts on, the communities they serve.

Ultimately, project costs far exceed the financial capability of counties and local governments to incur these obligations. The state must find ways to address the ability of counties, local governments and residents to financially afford the undertaking of necessary water and sewer projects. Counties ask the state to allocate public works bonding capacity to these projects, reestablish the Ohio water and sewer rotary commission, and provide significantly greater funding support for governments and citizens confronted with EPA orders to install water and sewer systems.

Agencies and communities are also being hampered by a prescriptive approach to setting permit limits for nutrients, stormwater, and for TMDL-derived parameters. U.S. EPA admits that many remaining water quality issues are caused primarily by non-point sources, such as residential, agricultural, and local development practices. CCAO is encouraged by the state’s emphasis on controlling non-point sources through the development of Nutrient Management Strategies and the work of the Ohio Lake Erie State Phosphorous Task Force.

Such strategies may include but are not limited to the continued study of stormwater practices in development projects to control flow from impermeable surfaces; development of a voluntary, statewide “certified nutrient stewardship program” for farmers; the use of water quality trading, etc.

CCAO looks forward to continued work with the state and other stakeholders to encourage the use of such best practices when appropriate for a given watershed.

Yet current permitting guidance demands that in the absence of clear legal authority over such practices, Ohio wastewater agencies must impose new, and ever-more stringent, limits upon local treatment plants and local stormwater conveyance systems, causing additional rate increases across Ohio and, in many cases, limited or no incremental improvement in overall water quality. Given the current economic conditions in the State of Ohio, this guidance could have a devastating effect on the state’s economic development goals. Once again, ORC Section 6111.60 is a step in the right direction in terms of requiring that Ohio EPA consider cost-benefit when issuing permits, but the statute is not binding on the federal government.

**Counties ask the state to allocate public works bonding capacity to these projects, re-establish the Ohio water and sewer rotary commission, and provide significantly greater funding support for governments and citizens confronted with EPA orders.**

**ENERGY**

Reliable energy is a critical key to economic development and quality of life for Ohioans. Efforts should be made to assure that power supplies are sufficient throughout all regions of the state.

CCAO encourages exploration of and support for more alternative sources of energy, including bio-energy, solar, geothermal, and wind energy, as well as support for enhanced traditional sources such as clean coal technology.

The technological advances in harnessing new energy sources have offered great opportunity to Ohio. CCAO supports state policies, such as renewable portfolio standards, to encourage the use of alternative and renewable energy resources. However, CCAO believes the decision to incentivize such technologies with local tax abatements should remain with local political subdivisions.
The decision to incentivize alternative and renewable energy resources with local tax abatements should remain with local political subdivisions.

In addition, CCAO supports developing and expanding the applicable uses of domestic energy sources. For example, the state, in conjunction with local governments, should continue to review and analyze the economic feasibility, technology, and infrastructure opportunities and challenges regarding the potential conversion of vehicle fleets to natural gas-fueled vehicles (NGVs).

CCAO believes that as Ohio joins the race to embrace new energy technologies, the state should commit to including local governments in developing applicable state policies, particularly given the potential siting, infrastructure, taxation, and community impacts.

One area of concern that gives CCAO considerable pause is the potential for damage to local roads with the current upswing in oil and gas drilling. The movement of drilling equipment coupled with the large amounts of material, in particular water, to and from both drilling sites and injection well sites will cause much distress to our roadways. CCAO advocated for and was disappointed with the refusal of policymakers to require a road use and maintenance agreement (RUMA) be in place with the appropriate local political subdivision as a condition to a permit to drill, particularly given the mandatory nature of such agreements with regard to the development of alternative energy sources. Although recent changes require a “good faith” effort by drillers to achieve a RUMA, CCAO anxiously awaits the review of a task force charged with analyzing the effectiveness of this “good faith” requirement.

COMMITTEE RECOMMENDATIONS

SOLID WASTE

CCAO supports giving solid waste districts maximum flexibility to meet the requirements of the state solid waste management plan through locally directed and approved plans with minimal state oversight.

In response to Ohio EPA and after extensive deliberations, CCAO and the Organization of Solid Waste Districts of Ohio (OSWDO) support the following programmatic goal for solid waste districts under Ohio law:

“Maximizing the use of waste as a resource through the development of adaptive, effective and financially sustainable programs, facilities, policies and/or public-private partnerships that promote the health, safety and welfare of Ohio communities.”

Solid waste districts should be given maximum flexibility to meet the requirements of the state solid waste management plan through locally directed and approved plans with minimal state oversight.

Local control of solid waste planning

Under broad goals and guidelines established by state law and the state solid waste plan, CCAO supports local self-determination in the number and composition of districts. CCAO believes that adoption of disposal, generation, and contract fees should remain local choices approved by local officials. Flow control must be preserved for local officials to finance public facilities and to implement the purposes of a locally approved solid waste management plan. CCAO supports retention of the authority of solid waste districts to adopt solid waste rules that govern the following:

- The maintenance, protection, and use of all solid waste collection and disposal facilities.
- The receipt of out of district waste.
- The application of zoning to solid waste facilities.
- The implementation of a program for the inspection of out of state waste.

CCAO believes that district programs must reflect the needs, demographics, and waste management conditions and that a one-size fits-all approach to local solid waste planning is not in the long-term best interest of the state or its citizens.
**Flexibility in solid waste governance**

CCAO supports local flexibility for each district to determine whether to have a board of directors or to establish a regional solid waste authority for governance purposes. For solid waste districts that choose to retain the board of directors/solid waste policy committee governing structure, the law should be amended to permit districts to reduce policy committee quorum requirements and to reconfigure policy committees to reduce the sheer size of multi-county district policy committees. Districts with two or more counties should be able to participate in meetings via electronic video conferencing, and districts with three or more counties should have the ability to establish a non-statutory membership composition.

**Streamlining of the planning process**

CCAO supports streamlining the planning process by requiring each district/authority to prepare a plan every ten years instead of every 3 1/3 years provided the district is meeting goals laid out in the plan. CCAO believes that plan components should be less prescriptive than they are currently, that the format should be general and serve as a guidance document, and the format should not be a one-size-fits-all template. In general, CCAO supports putting more resources into plan implementation and devoting less time to continuous updates and revisions of the plans. Other changes to the planning process that CCAO supports include the following:

- **Fee modification process** – Reduction in district generation and disposal fees should not require ratification of the solid waste plan, rather such changes should only require two hearings and a resolution.

- **Plan components** – Remove burden of inventory data collection from districts and require brokers and haulers to submit data to the state.

- **Plan ratification process** – Maintain the 60 percent approval for ratification and remove large city veto.

- **Plan ratification process** – Failure by a political subdivision to vote removes that political subdivision from the calculation needed for approval.

In order to promote fiscal accountability, CCAO supports allowing districts to discontinue service where the costs for providing service exceed the economic value without re-ratification of the plan. In order to reduce fund balances, CCAO also supports permitting districts that levy disposal fees to reduce the $1 dollar per ton minimum disposal fee.

Twenty-five years ago in response to capacity and environmental concerns, the Ohio General Assembly made solid waste management a public purpose and charged county commissioners with responsibility to prepare and implement solid waste management plans to meet the solid waste needs of the citizens in every county in the state. County commissioners have taken this responsibility seriously and have invested millions of dollars in disposal, transfer, and recycling facilities and programs to meet the solid waste needs of the general public. If county commissioners are to make full use of existing facilities, programs, and services, it is essential that local officials have the power to:

- Have self-determination relative to the composition of each solid waste district.

- Establish funding mechanisms to carry out district solid waste plans.

- Adopt rules to make sure that solid waste facilities are properly utilized.

- Implement designation and debt financed flow control to make sure that facility debt may be retired and that solid waste plans may be fully implemented.

**PERMIT HEALTH DISTRICTS TO REQUIRE SEWER CONNECTIONS FOR BUILDINGS LESS THAN 400 FEET FROM COUNTY SEWER LINE**

The Association seeks to enable general health districts to require property owners who own a building within 400 feet of a county sanitary sewer line to connect to the county sewer line.
LAND USE REGULATION AUTHORITY

County commissioners have limited authority to effectively regulate even the simplest land use problems in the county. CCAO proposes that boards of county commissioners be given the following additional authority and tools to regulate land use:

- Authority to impose impact fees on new development to assure the general taxpayer does not pay for the entire cost of expanded infrastructure needed as a result of new development.
- Authority to enact zoning for the purpose of promoting the general welfare and to encourage the preservation of agriculture and agribusiness.
- Authority to approve transfer of development rights (TDR) in both zoned and unzoned areas in order to promote preservation of open space and farmland. In the event a property owner is compensated in conjunction with a TDR, no public funds may be granted to the owner for an agricultural or conservation easement.

TAX ABATEMENT / COMMISSIONER APPROVAL

CCAO supports legislation requiring notification and consent of each board of county commissioners affected by property tax abatement or tax increment financing that a township or municipal corporation grants within a county. CCAO recognizes the value of tax abatement as an economic development tool and supports retention of county authority to provide tax abatement under a revised statutory format necessitated by the elimination of the tangible personal property tax.

BUILDING PERMITS

Support authorizing counties to issue citations for building permit offenses, compound or increase building permit fees for unresolved violations, and link separate building code violations and separate sites for violations involving the same owner or contractor that continues to violate the law. CCAO also seeks authority for a “one stop shop” for permitting and inspections for construction occurring within the unincorporated areas of the county including the same authority that municipalities currently have to do plumbing inspections without the acquiescence of the county health department.

COMMERCIAL BUILDING PERMIT PLAN REVIEW

The Ohio Commercial Building Code requires that building departments review commercial applications for building permits in the order in which they are received. CCAO believes counties should be provided specific legislative flexibility to review plans in a manner which allows for expedited review of projects that have significant local and/or economic development impacts.

ENFORCEMENT OF FLOOD PLAIN REGULATIONS

CCAO supports legislation permitting a county to levy fines and issue stop work orders to enforce county flood plain regulations.

PUBLIC HEARING ON PERMITS FOR BRINE INJECTION WELLS

Under current law, applications for permits for an oil and gas well or a brine injection well do not require the Division of Mineral Resources at the Department of Natural Resources to hold a public hearing on such permits upon timely comments and a request for a hearing. This is different than the law on concentrated animal feeding operations and wind farms. CCAO supports a change in law that requires public hearings on applications for oil and gas well permits and brine injection well permits if requested by a board of township trustees or municipal legislative authority if the proposed location is within that township or municipality, or by a board of county commissioners if located in the county. The Division would continue to have discretion on hearings requested by other parties but would be required by state law to conduct a hearing if requested by local governments.

CCAO has additional positions relative to the taxation of oil and gas that can be found under the Taxation and Finance section of this document.
ZONING OF CELLULAR TOWERS

Existing law limits the authority of county and township zoning to regulate cellular towers to residential zones. CCAO supports legislation granting authority to regulate cellular towers in all zoning districts under reasonable standards that recognize the need for cellular service.

LAND REUTILIZATION PROGRAM / LAND BANKS

CCAO supports amendments to the land reutilization program to accomplish all of the following:

- Remove the current restriction allowing only counties with a population of 60,000 or more to form land banks to allow any county to create a land banking program.
- Allow counties to form multi-county land banking programs.
- Allow a board of revision to process tax foreclosures as opposed to the courts.
- Permit electing political subdivisions to acquire delinquent properties without the requirement of waiting for the property to be offered for sale at two sheriff sales.
- Allow the county to retain their own legal counsel to prosecute tax delinquencies instead of being required to use the prosecutor.
- Require property owners to pay all back taxes and assessments within one year of delinquency and not be able to enter into a payment program to avoid foreclosure. However, a special provision should be included to allow payment plans for senior citizens on limited incomes and for the properties that are delinquent and taxes have not been paid as a result of a death and final disposition of the estate has not occurred.
- Allow counties to sell property acquired through this process to be sold for less than fair market value.

PREVAILING WAGE LAW

Every effort should be made by legislative or administrative means to simplify the reporting requirements of complying with the prevailing wage law. In addition, the law should be modified to conform with federal law providing that the prevailing wage rate as included in the bid package shall remain in effect throughout the entire period of the project. This modification would eliminate the cost to the county for contractor’s estimates of anticipated rate changes as well as the administrative cost related to providing rate increase notifications.

CCAO also asks that the current statutory monetary thresholds for determining when the Prevailing Wage Law applies to public improvements for “vertical” construction projects (which are those projects other than roads, sewers, ditches, and other related projects) be increased from $250,000 to $5 million for new construction and from $75,000 to $250,000 for reconstruction, enlargement, alteration, repair, remodeling, renovation or painting and then be adjusted biennially, but not to exceed a 3% variance for any year, to new threshold levels based upon the construction price index. Both of these thresholds were increased to their present levels over a three year period under provisions of HB 153, the FY12/13 biennial budget bill. HB 153 as introduced would have increased both thresholds to $5 million.

GOVERNANCE OF CONSERVANCY DISTRICTS

The governance structure of conservancy districts should be revised by removing common pleas judges as the appointing authority for the board of directors of the district. Advisory Opinion 2003-9, issued by the Board of Commissioners on Grievances and Discipline, poses the potential that this role of appointing authority may be in conflict with the Ohio Code of Judicial Conduct. The boards of county commissioners from each county within a conservancy district should appoint either a commissioner or other qualified person to the board of directors of the district.
EMBRACING THE ECONOMIC GARDENING MODEL

Economic gardening is a development approach which focuses on supporting innovative companies and entrepreneurs that are growth oriented to become larger. Economic gardening concentrates on strategic issues like penetrating new markets, refining business models, developing management teams, and providing information and decision-making assistance to these companies. These companies tend to have national or global markets and consequently bring outside dollars into their community.

Development initiatives should be crafted to support the unique needs of this segment of the economy which is poised for guaranteed growth. By targeting dollars to provide seed money for these businesses, and with state and local agencies providing oversight and technical assistance, these businesses can use dollars for innovation and growth, and truly create positive results for Ohio.

REDEVELOPMENT AND REHABILITATION OF VACANT BUILDINGS

Throughout Ohio there are vacant buildings that have outlived their usefulness as currently configured. While these structures are sound, their conversion to fit modern day applications is costly. Current zoning codes don’t contemplate revitalization, and building code compliance is cost prohibitive. The state should develop a program that makes the reuse and restoration of these structures competitive with the option of new construction. Components of this program targeted to redevelop and reuse of existing sites should include eminent domain and industrial/commercial land banking, consolidation of parcels, as well as preferential land use and zoning provisions and building code provisions which take safety into consideration without demanding compliance with current code provisions that contemplate new construction. We recommend a companion program to “shovel ready” sites that supports the transformation to “occupant ready” sites.

BOND POOLS FOR ECONOMIC DEVELOPMENT

CCAO requests broader authority for county government to use its taxing authority for bond pools for economic development.

FORCE ACCOUNT

CCAO supports indexing thresholds for the performance of force account work to increases in the construction price index so that force account limits will keep pace with inflation. CCAO also supports permitting a sanitary engineer with funds appropriated by the commissioners for this purpose to use county personnel and equipment to undertake water and sewer projects instead of having to contract for all such improvements.

ROAD AND BRIDGE IMPACTS

CCAO supports providing counties with additional authority to classify roads according to use and designate haul routes for heavy truck traffic.

TRANSPORTATION IMPROVEMENT AUTHORITIES

CCAO supports the enactment of legislation to allow local governments, with the consent of each of the participating local governments legislative authorities, to create transportation improvement authorities.

AIRPORT FUNDING

CCAO supports legislation that would establish a trust fund comprised of all state sales tax revenue from the sale of aviation fuel (approximately $6 million per year). Ohio has 97 general aviation grant-eligible airports. An aviation study prepared for ODOT in 1999 estimates that it would take $8 million per year over a 20-year period to rehabilitate these airports. The sales tax from aviation fuel dedicated to safety and runway improvements would go a long way toward providing the level of funding recommended in the ODOT study.
RAILROAD GRADE SEPARATION FUND

CCAO supports legislation that would continue the nearly completed Railroad Grade Separation Program initiated in 2001 with a state commitment of $200 million that funded 28 high priority grade separation projects across Ohio. Of the 28 major grade separation projects undertaken with this program, only two grade separation projects remain and are in the process of being completed. Grade separation projects at critical rail highway intersections promote economic development and public safety while relieving highway traffic congestion.

FIBER OPTIC SYSTEMS

CCAO supports providing counties with specific statutory authority to own and operate fiber optic systems for telecommunication purposes. CCAO supports programs that encourage greater internet and broadband accessibility statewide.

AIR QUALITY

In order to comply with the Clean Air Act Amendments of 1990, the General Assembly enacted legislation (SB 18) establishing the Automotive Inspection and Maintenance Program (E-Check) during the 120th General Assembly (1993). The state law was intended to enable Ohio to achieve attainment of the National Ambient Air Quality Standards for ozone and carbon monoxide pollution. The Federal Clean Air Act established non-attainment area classifications based on the severity of the air pollution problem. These classifications are marginal, moderate, serious, severe, and extreme. The US EPA assigns each non-attainment area to one classification. A motor vehicle inspection and maintenance program is a requirement for any areas that are designated moderate or serious non-attainment.

In order to fulfill that requirement, any non-attainment area that falls into the moderate or serious non-attainment classification was required to institute an E-Check program. While Ohio worked extremely hard to meet the 1997 standard of 0.084 ppm, accomplishing the goal with the re-designation of the Cincinnati area as in attainment, in March 2008 US EPA adopted a more stringent ozone standard of 0.075 ppm. While states are already challenged with meeting this new standard, US EPA now is reviewing the standard and has suggested a lower standard may be needed somewhere between a range of 0.070 and 0.060 ppm.

In addition to the ozone levels, US EPA adopted a more stringent fine particulate standard in September 2006. New non-attainment designations were effective February 2009, and Ohio EPA prepared and submitted documentation that the standard had been achieved in all parts of the state by the 2012 deadline.

Further, US EPA adopted a more stringent lead standard on October 16, 2008. The revised standards are ten times tighter than the previous standards. Ohio EPA anticipates that some Ohio counties will not meet the revised standard. The new lead standard will require increased monitoring for lead and the development of plans to bring Ohio counties into attainment.

Because of the substantial costs of potential programs required to meet such attainment standards and the regional nature of their application, CCAO strongly recommends that responsibility for implementing air pollution controls remain with the state. CCAO encourages the state to work with local air pollution control agencies, local governing bodies, MPO’s, regional councils of government, and business to utilize opportunities to use land use law and regulations to meet the clean air attainment standards.
**JUSTICE AND PUBLIC SAFETY**

**Chair:** Bob Proud, Clermont County Commissioner  
**Vice Chair:** Ed Elliot, Hardin County Commissioner  
**Staff:** John Leutz, Legislative Counsel

**COMMITTEE PRIORITIES**

**INDIGENT DEFENSE**

The fundamental right to counsel is “made obligato-
ry upon the States by the Fourteenth Amendment.” -  
*Gideon v. Wainwright* (1963)

In response to *Gideon*, Ohio opted to require counties to  
provide indigent defense, with the state reimbursing  
counties for 50 percent of the cost of delivering this  
constitutionally mandated service. The state funded  
its reimbursement by utilizing revenue deposited into  
the state general fund from a state-wide court cost  
established by the General Assembly. However, in  
1979, when the revenue from the court cost became  
less than the amount required to provide the state’s 50  
percent reimbursement, the state modified its funding  
commitment by establishing the concept of “propor-
tional reduction.” Under this concept, the state sim-
ply appropriates an amount for reimbursement and  
then proportionally reduces the reimbursement rate to  
counties.

Restoring the reimbursement rate to 50 percent has  
been a primary focus of CCAO. Since 1979, the  
counties have been carrying more than their 50 per-
cent share of the burden. The previous biennium’s  
reimbursement rate of 40 percent returns counties to  
a level not seen since FY 02.

The rate averaged 34.6 percent for the decade prior  
to the FY14/15 biennium and hit its record low of 26  
percent in FY 09.

However, simply increasing reimbursement will not  
fix the deeper systemic problem – the root difficulty  
is the choice made by the General Assembly in 1976  
to burden counties with the obligation of indigent de-
fense. CCAO firmly believes that fundamental chang-
es to the delivery of indigent defense services must be  
made by shifting the obligation from the counties to  
the State as *Gideon* held.

Since 1992, studies have concluded this type of com-
bined funding system is fundamentally flawed.
“We have concluded the present system is neither efficient nor cost-effective in many areas throughout Ohio.”

“State-operated regional offices would assist local public defender commissions in several areas, including investigative services, social workers, and expert witnesses.”

- Report of the Supreme Court Task Force to Study Court Costs and Indigent Defense, submitted to the Ohio General Assembly by Justice Craig Wright, September 1992

This conclusion was reaffirmed in 2006.

“It is the opinion of this task force that the system of providing counsel to indigent criminal defendants is inefficient and ineffective, and in need of significant improvements. The time has come for systemic changes to occur. The absence of a fully-funded, effective system creates the risk of denying an individual’s constitutional right to counsel.”

- Report and Recommendations of the Ohio Supreme Court Task Force on Pro Se & Indigent Litigants, April 2006

Finally, a national study published in 2009 reiterated the fundamentally flawed Ohio system that requires counties carry the unfunded burden of providing indigent defense.

Systemic reform of Ohio’s indigent defense system is a top priority for CCAO. Our position emphasizes the following key points:

- Under the current system, each of Ohio’s 88 counties operates its own indigent defense system, which has created discrepancies in the quality, efficiency and cost of representation.

Recognizing that a successful transition cannot occur overnight, the focus of reforming the indigent defense system is upon transitioning responsibility and funding from the counties to the state over a period of time.

CCAO seeks the enactment of legislation similar to SB 139 (Uecker) and HB 186 (Boose/Gerberry) introduced in the 130th General Assembly. This legislation would initially create a more concise and cost efficient system and eliminate over time the financial burden placed on county governments by:

- Immediately increasing the reimbursement rate to 50 percent and increasing that rate by 10 percent per year over the succeeding five years;

- Giving the State Public Defender supervision over all county systems; and

- Developing a regional support system to share support services and help reduce the individual county’s operating costs.

This legislation was drafted by the State Public Defender’s office as the result of a several year collaborative effort involving CCAO, the State Public Defender’s Office, the Ohio State Bar Association, the Ohio Judicial Conference, the Ohio Prosecuting Attorneys Association, the Ohio Criminal Defense Attorneys Association, and the Supreme Court – all of whom concur that our present method of providing this fundamental right to counsel is at risk to a Constitutional challenge.

The research and evidence are clear: Indigent defense should be the responsibility of the state and not the counties.

An additional $12 million a year in state funding would provide counties a 50 percent reimbursement for indigent defense.
Interim Steps

While CCAO believes that a systemic change to the delivery of indigent defense services must be made by shifting the obligation from the county to the state, in the interim counties seek the following:

- **The reimbursement rate should be immediately increased to 50 percent** - The reimbursement rate has been increased by 5 percent in each of the last two biennia and now stands at 40 percent. However, the State has significantly decreased its general fund commitment by relying on the non-GRF revenue flowing into the Indigent Defense Support Fund to pay for reimbursement. CCAO estimates that it would take approximately an additional $12 million in GRF funding to provide 50 percent reimbursement. This would provide GRF funding of roughly $21.6 million which is still only 80 percent of the $26.9 million GRF appropriation for FY 09 which was the height of the last recession.

- **Abuse of assigned counsel selection** – The Office of the Ohio Public Defender should have the authority to reduce reimbursement for counties that have non-compliant delivery models in order to incentivize effectiveness and efficiency. Where appointments do not meet standards as passed by the Ohio Public Defender Commission, the Ohio Public Defender should have the authority to reduce the reimbursement to the county. Presently, all counties are mandated to receive equal percentages of reimbursement without any measure of quality or efficiency. This means inefficient, expensive per case counties are using a disproportionate share of the available reimbursement dollars.

- **Funding death penalty cases** – The Office of the Ohio Public Defender should take over and the State fund the defense of all death penalty cases.

- **Eliminating jail sanctions** – CCAO believes that there are opportunities to modify various non-violent criminal offenses to eliminate the jail sanction, thereby reducing the number of offenses that entitle an indigent individual to counsel. This includes reclassifying most traffic offenses to minor misdemeanors or administrative violations dealt with by the BMV and not in the courts.

- **Reform of the abuse, dependency, and neglect case in juvenile court** – These cases are the fastest growing demand for indigent counsel, threaten the best interests of the child, and tend to drive up legal costs. The legislature should create a commission to completely reexamine the process for handling abuse, dependency, and neglect cases where children are being removed from parental custody.

These cases can remain pending for over two years, involve multiple attorneys for each parent and the children, and create huge instability for the children that ultimately leads a significant percentage of these children into juvenile delinquency.
• **Court scheduling practices** – Many judges schedule in conflict with each other, both within their own courts, and with other courts within the same county. These scheduling conflicts cost significant amounts of money for other justice agencies like the prosecutors, sheriffs, and public defenders who must staff these schedules. This practice must be eliminated. Courts should be required to create cross-agency justice boards that determine optimal scheduling to reduce conflicts and waste.

• **Municipal charging patterns** - Presently, municipalities can choose whether to charge a misdemeanor criminal case under a local municipal ordinance or under the Ohio Revised Code. This decision holds great significance as it relates to whether it is the city or the county who will pay for the costs of detention, mental health evaluations and public defense expenses and which will benefit when fee or fine monies are collected. While municipalities are understandably authorized under their home rule authority to establish a criminal code and exercise police powers, this power should not extend to shifting costs to the state via counties when the individual case will result in costs and under an ordinance when revenues will likely result.

• **Verification of indigency** - One area that the counties continue to grapple with is the verification of indigency. Although it is the courts’ responsibility to determine an applicant’s indigency or eligibility for a reimbursement, recoupment, contribution, or partial payment program pursuant to Rule 22 of the Supreme Court Rules of Superintendence, we find the courts lax in accepting and fulfilling this responsibility. Commissioners are without power to ensure the courts comply with their obligations and consequently are frustrated in their belief that the system costs are greater than they should be and look to the legislature for a remedy to this issue.

**EMERGENCY 9-1-1 FUNDING AND MANAGEMENT**

CCAO strongly supports the creation of and responsibilities assigned to the Statewide Emergency Services IP Network Steering Committee (ESINet). A permanent state-wide uniform monthly charge against all devices that will be able to access 9-1-1 should be utilized to fund the state’s ESINet and 9-1-1 service. This charge should be in an amount that will raise sufficient revenue to allow for the operation of 9-1-1 centers throughout the state; the acquisition of the necessary hardware, software, and technology upgrades; annual maintenance of the system; and establishment of a reserve for funding the major system technology advances that will occur over time.

*The future of emergency response must include the ability to receive text and video. A statewide charge to fund technological advances is overdue.*

In the near future, management of a 9-1-1 system will be capable of significant consolidation of public safety answering points (PSAPs) with the advent of the next generation 9-1-1 system, which will be IP based. At that point, it should be a priority to ensure that all counties have 9-1-1 in place for all wireline, wireless, IP-based, or other mobile communication devices. CCAO recommends that 9-1-1 management become the responsibility of commissioners as a county department. CCAO recommends that all calls to 9-1-1 be received at a single centralized PSAP location within the county, complimented with appropriate redundancy, for dispatch to the public safety/service provider covering the area where the call originates. There is also a need to clearly distinguish between the PSAP 9-1-1 call receipt function and the dispatch function and insure that a political subdivision that provides dispatch services for another subdivision can contract for and fully recover their costs in providing that service.

CCAO believes that all voice/video/data communication providers should be guaranteed access to route their customers to PSAPs and be given the ability to recover their access technology costs from their subscribers.
DRUG EPIDEMIC IMPACTS ON COUNTY JAILS

The jails’ mission is not to treat or house the mentally ill or addicted. Jails are not treatment facilities and jail staff are neither envisioned to be nor trained to be treatment providers.

The continued incarceration of mentally ill and addicted individuals in county jails places an undue burden of risk and cost upon these facilities and is clearly outside the purpose for county jails. Jail employees are not trained to manage or treat individuals suffering from mental illness or addiction. This population is at high risk for injuring themselves and others. The health care costs for these individuals are excessive. And the housing of these individuals in a jail threatens public safety by taking up a scarce bed space that was designed for and should be used for housing real criminals.

Jails have become de facto mental health and addiction facilities. We need state partnership to find more appropriate solutions.

Counties recognize the need to implement early identification of mental illness and addiction treatment needs at intake, provide detox and treatment in the jail setting, develop better jail diversion strategies, and improve discharge planning. However, accomplishing these actions requires professionally trained mental health and addiction counselors and significant financial resources which counties currently do not have. The state must accept responsibility for the management and care of the mentally ill and addicted population. CCAO has identified three specific issues that need to be addressed with services and funding:

- **Jail “Hot Spot” Population** – Data indicates that a small percentage of the county jail population who are experiencing behavioral health, and in particular addiction, are responsible for a large percentage of the jail operation costs.

- **Jails as De Facto Treatment Facilities** - Communities are having difficulty in meeting the demand for addiction treatment services and, as a consequence, individuals who really need to be receiving medical care are instead incarcerated in our jails simply due to a lack of more appropriate options.

- **High Mortality Post Release** – Those who are incarcerated in our jails who have an opiate addiction have a very high mortality rate post release because they have gone through detox while in jails and upon release resume using drugs at the levels they did prior to incarceration and overdose deaths result.

COMMITTEE RECOMMENDATIONS

COURT SYSTEM RESTRUCTURING AND MANAGEMENT

While CCAO recognizes and respects the court system as an independent third branch of government, several issues involving the judicial system are impacting counties efforts to increase efficiency, performance, and contain costs.

- The current system of county and municipal courts is balkanized, functions inefficiently and ineffectively, and, consequently, costs local government more than it should to operate. A complete review and restructuring of the misdemeanor court system should take place.

- The state should begin moving toward the assumption of full responsibility for the operation and management of the common pleas court system in the state, thereby fostering a more collaborative and unified system.

- There is an increased incidence of courts demanding funding of budget requests which are neither pragmatic nor responsible and that exceed funding parameters imposed upon other county officials and challenge resource allocation.
• A periodic review of the number of judge-
ships required in the various courts based
upon population and case loads should be
undertaken.

STATUTORY COURT COSTS

Clerk of court fees (ORC Section 2303.20) were last
increased in 1992, and probate court fees (ORC Sec-
tions 2101.16 and 2101.17) have not been increased
since 1976. These fees help offset the cost of the op-
eration of the clerk of courts office and probate court.
CCAO asks that these fees be increased significantly
to offset the gross depreciation in their value resulting
from inflation.

COMMISSIONERS USE OF OUTSIDE LEGAL
COUNSEL

The board of commissioners may employ an attor-
ney other than the prosecuting attorney to represent
it on either a particular matter or on an annual basis.
However, the total compensation paid in any year for
outside counsel cannot exceed the total annual comp-
pensation of the county prosecuting attorney. CCAO
asks that this artificial spending cap imposed by ORC
Section 309.09(C) be eliminated.

DYS JUVENILE JUSTICE FUNDING

The state should increase funding through the De-
partment of Youth Services for juvenile detention ser-
vices. Reclaim and the Youth Services Grant ($10
line item) are the major components for juvenile
justice funding and are absolutely critical funding
programs for Ohio’s juvenile courts, accounting for
approximately 33 percent of their operating budgets.
Annual Reclaim funding remains at approximately
$30 million per year as it has since FY 2010. The
Youth Services Grant also continues to be flat funded,
as it has been since FY 2003, at $18.6 million per
year. Together, these line items have seen almost a 10
percent reduction in funding from the FY 2002 appro-
priation levels.

Failure to fund these line items adequately will lead
to increased commitments to DYS institutions be-
cause the resources will no longer be available locally
to serve these youth in their communities.

STATE SUBSIDY FOR HOUSING CERTAIN
PRISONERS IN COUNTY JAILS

State laws and policies have contributed to the signif-
icant increase in county jail population. State funds
should be appropriated to reimburse counties for the
costs of housing prisoners in county jails that are do-
ing any of the following:

• Serving sentences for a felony conviction,
• Being held by the Adult Parole Authority
  pending a parole revocation hearing,
• Being incarcerated pursuant to the provi-
sions of the Domestic Violence Preferred
  Arrest Law (HB 335), or
• Serving mandatory jail sentences under the
  state’s OMVI laws.

COVERAGE FOR MEDICAL COSTS OF
UNSENTENCED JAIL INMATES

CCAO asks that the state encourage Congress to re-
move the so-called “inmate exception” that prevents
federal medical benefits from being paid for people
in jail whether or not they have been convicted of
a crime. Current federal benefits rules that must be
followed by the states leave counties solely responsi-
ble for the medical expenses of jailed individuals. As
a result, qualified individuals who have been jailed
are automatically stripped of their federal benefits
before they have been convicted. This appears to
be a direct contradiction of the basic presumption of
innocence, which is the foundation of the American
criminal justice system.

The state also could assist counties by amending its
Medicaid plan to both continue eligibility to and
provide benefits for a Medicaid eligible individual
during their incarceration in a county jail. While fed-
eral law prohibits federal reimbursement for medical
services provided to incarcerated individuals, it does
not prohibit the state from spending state dollars at
the Medicaid rates for such services which, if paid,
would help subsidize the county’s cost.
**DRC COMMUNITY CORRECTIONS PROGRAMS**

CCAO supports the concepts of criminal sentencing reform embodied in HB 86 of the 128th General Assembly. However, to be successful in this endeavor, the reinvestment must be directed to building the infrastructure in the local communities. The drug epidemic highlights this need. The Department of Rehabilitation and Corrections and the Department of Mental Health and Addiction Services must work cooperatively to develop and fund programs to support a continuum of community corrections programs that provide drug and alcohol counseling and treatment and services for the mentally ill in the county jails. The level of reinvestment in the communities is currently inadequate to support the expectations of community reinvestment.

The Department of Rehabilitation and Corrections Community Corrections Act programs should be used as the foundation upon which to build this infrastructure. These highly successful programs are developed through evidence-based analysis, and best practices models are funded through the Division of Parole and Community Services. Community Corrections Act (CCA) line items support felony prison diversion and misdemeanor jail diversion programs in the local communities.

In light of the significant changes brought about by HB 86, the State should establish benchmarks regarding the disposition of Felony 4 and 5 offenders to the local programming options in order to be able to evaluate the practical effects of sentencing reform.

**COMMUNITY BASED CORRECTIONS FACILITIES**

Community Based Corrections Facilities (CBCFs) are secure residential facilities that house individuals who have been diverted from the state’s prison system in order to provide them with intensive programming and rehabilitation services that will lead them to choose not to reoffend. CBCFs are created by the common pleas courts through the establishment of a judicial advisory board and are managed by a local facility governing board comprised of individuals appointed by the judicial advisory board and the county commissioners of the member counties.

CBCF funding is provided through grants administered by the Department of Rehabilitation and Correction. An expansion of the current funding would allow for the diversion of more individuals from prison into the CBCF programming.

State law limits the time an individual can stay in a CBCF to a period of six months or less. However, new research and empirical analysis suggests that programming objectives and results are more effective and successful if treatment is extended beyond six months. CCAO recommends that the legislature work with the Department of Rehabilitation and Correction to determine if state law should be amended to allow for a longer maximum stay in a CBCF and whether CBCF programming could effectively provide addiction and mental health rehabilitative services.

**COUNTY PROBATION SERVICES**

DRC made a management decision to eliminate its Adult Parole Authority (APA) staff which has been conducting presentence investigation and report writing for common pleas courts in over 48 counties across the state.

In place of its staff support, DRC worked with common pleas judges to develop a grant program that will allow judges who will find themselves without presentence investigation services to hire new county staff to replace the APA staff. To replace this direct state assistance, DRC developed a grant program and allocates approximately $1.3 million per year in grant funding to award to counties that go together to hire the county staff needed to replace the state APA staff. This funding needs to be dramatically increased.

**STATE SUPPORT FOR SPECIALIZED COURT DOCKETS**

Emphasis recently has become placed upon the development of specialized dockets designed to aid a specific type of offender in their rehabilitation. These include Drug, DUI, and Mental Health and Veterans courts. DRC is now engaging in a Re-entry Court initiative that involves the sentencing court in an offender’s return to their community after serving a prison sentence. While these programs have merit, they are carried out almost exclusively with local court personnel and resources.
If the state seeks to promote such programs, then the state ought to provide the funding for them rather than impose another unfunded mandate upon the counties for the costs associated with these specialized dockets.

**STATE FUNDING OF LEADS AND MARCS SYSTEMS**

With the advent of the Statewide ESINet Steering Committee, the administration of the state’s Law Enforcement Automated Data System (LEADS) should be merged into the Emergency Services IP Network (ESINet) to eliminate the need for county contributions for maintaining the system and should provide a funding mechanism to local jurisdictions to cover the cost of hardware and software upgrades required by new technology applications.

The state also has committed a significant investment to upgrade the Multi Agency Radio Communication System (MARCS) radio system to provide interoperability among local responders’ communications equipment.

One of the challenges to local governments wanting to utilize MARCS, however, is the cost prohibitive monthly user fee the state currently charges local responders for use of the system. While the recent provision making grant funding available to rural fire departments to help them pay the monthly MARCS user fee is a first step, ultimately the monthly MARCS user fee should be eliminated.

**PROSECUTION OF CRIMES OCCURRING ON STATE PROPERTY**

The state should provide a biennial appropriation line item to pay 100 percent of the costs incurred by counties for prosecuting offenders who commit crimes at state institutions, such as state prisons, or on state-owned property.

**VOLUNTEER FIRST RESPONDERS TRAINING**

The number of hours required for a volunteer to become certified and maintain certification as a fire fighter or emergency medical service responder has become too onerous. The state should reevaluate the training requirements for these volunteer positions.
The eleven Ohio counties with a population exceeding 225,000 meet to review issues of critical importance to metropolitan counties and to deal with issues relating to regionalism. Counties in metropolitan areas experience unique challenges requiring specific legislative actions and responses to assist their constituents. While many metropolitan county issues are covered in other areas of this platform document, the following are either unique to metropolitan counties or present themselves in a unique way.

**COMMITTEE PRIORITIES**

**PROVIDE LOCAL GOVERNMENTS WITH ADDITIONAL PERMISSIVE MOTOR VEHICLE LICENSE TAX AUTHORITY**

CCAO supports counties having sufficient resources to meet the critical infrastructure needs of the traveling public and the business community for good roads and bridges. Additional permissive motor vehicle license tax authority has been agreed to in concept by CCAO, the County Engineers Association of Ohio (CEAO), the Ohio Municipal League and the Ohio Township Association.

*Additional funding for aging roads and bridges is needed, and the local permissive motor vehicle license tax authority has not kept up since it was expanded nearly 30 years ago. Eight metro counties, representing 48 percent of Ohio’s population, are maxed out on taxing authority, while 25 counties statewide are levying the maximum.*

The state last adjusted the state motor vehicle license tax for the benefit of local governments in 1980 and last granted additional permissive motor vehicle license tax authority to local governments in 1987.

It is time for the state to revisit the question of the adequacy of these revenue sources for local governments going forward.

**CHILDREN SERVICES**

Over half (54 percent, or about 1.5 million) of the state’s total child population resides in Ohio’s 11 metro counties, and in 2013, these metro counties received more than 60 percent of the total reports of abuse and neglect made in the state. Given the number of Ohio children depending on these counties for safety and permanency services, metro counties are particularly focused on strengthening the state/county partnership in children services. To view CCAO’s recommendations around Ohio’s children services program, see pages 17-18.

**CHILD SUPPORT**

Metro counties have particular interest in ensuring adequate state support for child support enforcement, given that 58.6 percent of the state’s enforcement orders are in the state’s 11 metro counties. Successful child support enforcement has a direct impact on both the families being served and the economy - if a child support order is established, a family will leave the state’s cash assistance program three times faster than if no order is established. To view CCAO’s recommendations around Ohio’s child support enforcement program, see pages 18-19.

**INDIGENT DEFENSE**

The costs associated with the administration of justice are a growing burden for metropolitan counties. A specific area of concern is the low reimbursement rates for indigent defense, see pages 31-34.
COMMITTEE RECOMMENDATIONS

CASINO REVENUE

Metro counties were hit particularly hard by the recession and have generally been very slow to recover. Thus, the casino revenue allocated to counties under the Ohio Constitution should be kept as flexible as possible for use by counties through the county appropriation process. Additionally, the state should not reduce other state assistance to counties because of this relatively new source, as that would violate the principle of non-supplantation that was included in the Constitutional amendment allowing casinos. Competition brought by the addition of racinos that could result in further erosion of this revenue stream is also a concern and should be carefully monitored. Finally, state policy makers should keep in mind that several of the metro counties split these revenues with their cities and that uncertainty remains as to future estimates.

PROVISION OF MUNICIPAL PROSECUTION

Metropolitan counties support legislation to modify the current provisions of ORC Section 1901.34 to give commissioners greater flexibility to provide for the prosecution of criminal offenses under state statute in municipal courts of the county either through municipal law directors, the county prosecutor, or contracting with private law firms.

FUNDING FOR URBAN PUBLIC TRANSIT

Metropolitan counties urge the Ohio Congressional delegation to modify federal law so that Federal Transit Administration Section 5307 funds, whose use now is limited to capital projects, can be employed more flexibly by local transit systems. The Ohio Department of Transportation also should pass through the full amount of the federal obligation ceiling to local entities for critical transit needs.

OVER AND UNDER PAYMENT OF PROPERTY TAXES

CCAO will work with the County Treasurer’s Association of Ohio, who should take the lead in developing legislation to address the issue of minor overpayment or underpayment of real property taxes, by setting a minimum threshold below which payments back to taxpayers would not have to be made.

CHANGES TO THE COUNTY VETERANS SERVICE COMMISSION LAW

CCAO supports initiatives to review the law and operation of Veteran Service Commissions to be sure appropriate and coordinated services are available to our brave men and women of the Armed Forces returning home. The level of up to five-tenths of a mil on assessed value of property of the county should be studied in an effort to identify alternative funding options to replace current county funding.

Accountability through a system of checks and balances is a cornerstone of the Republic that our service men and women have fought to preserve. Therefore, we support the ability of the board of county commissioners to review and revise the budget of a Veterans Service Commission, especially as it pertains to administrative and operational expenses. Operational cost concerns often arise around staff compensation increases that exceed the average increase provided to other appointing authorities through the appropriation process.

Enhanced collaboration is another benefit that would come from restoring checks and balances. Veterans in need should be receiving all of the community services available by fully utilizing other health, human service, and employment assistance programs.

Enhancing the state partnership to ensure that the Department of Veteran Services can provide funding for any training that is mandated by the Department is also needed.

Finally, the boards of county commissioners should become the appointing authority for members of the Veteran Service Commissions instead of judges.

CHANGES TO THE ALTERNATIVE FORM OF COUNTY GOVERNMENT LAW

CCAO supports changes to ORC Chapter 302 to expand the forms of alternative county governmental structures that may be placed before the
voters by the board of county commissioners. Current law only permits an alternative statutory structure (if voter ratified) of the board of commissioners into legislative and executive functions and the establishment of certain county departments.

The current alternative form law does not allow for the elimination of any county elected official offices or for the combination of any of the current elected offices. CCAO recommends that two new alternative forms of government be authorized. One would allow for a county appointed or elected executive, a board of county commissioners, and would also allow for any elected official, with the exception of the auditor and prosecutor, to become appointed officials or two or more current offices could be combined into a new elected office. While this alternative form would not allow for the elimination of an elected prosecutor, it could limit the responsibilities of the prosecutor to criminal duties and could allow for civil duties to be performed by an appointed law director.

The second alternative form would simply allow a ballot question of whether any two or more current offices should be combined into a new elected office. This statutory change would enable any individual county governmental structure to be reformed while avoiding the extensive restructuring associated with enacting a charter. Any proposed change to the county structure would require placement on the ballot under the provisions of current law. Its enactment would require approval by a majority of those voting in a county-wide election.

**AUTHORITY FOR COUNTIES TO CONTRACT FOR THE SERVICES OF THE COUNTY CORONER OR ESTABLISH REGIONAL MEDICAL EXAMINER SYSTEM**

CCAO supports legislation that would enable boards of county commissioners to share, combine, or reorganize, in a larger district, the duties of the county coroner. This could include the ability for a board of county commissioners to contract for the services of the coroner from another county coinciding with the coroner’s office election cycle. In addition, it could include an approach whereby two or more counties could study the establishment of a regional coroner or medical examiner system which could lead to the eventual elimination of the elected position of county coroner.

**AUTHORITY FOR COUNTIES TO REGIONALIZE SERVICES**

CCAO supports permissive new regional collaboration initiatives and amendments to Ohio law to allow for the regionalization of services beyond county boundaries and to eliminate the need for the old service delivery system. Regionalization could potentially eliminate the need for existing traditional service delivery providers and allow for the elimination or downsizing of multiple providers.

**AUTHORITY TO ALLOW FOR TAX REVENUE SHARING**

CCAO supports amendments to state law to enable tax revenue sharing between local governments so economic development revenue can be shared across a region.

**MUNICIPAL CHARGING PATTERNS**

Presently, municipalities can choose whether to charge a misdemeanor criminal case under a local municipal ordinance or under the Ohio Revised Code. This decision holds great significance as it relates to whether it is the city or the county who will pay for the costs of detention, mental health evaluations and public defense expenses and which will benefit when fee or fine monies are collected.

While municipalities are understandably authorized under their home rule authority to establish a criminal code and exercise police powers, this power should not extend to shifting costs to the state via counties when the individual case will result in costs and under an ordinance when revenues will likely result.
TAXATION AND FINANCE

Chair: Daniel Troy, Lake County Commissioner
Vice Chair: Ginny Favede, Belmont County Commissioner
Staff: Brad Cole, Managing Director of Research

COMMITTEE PRIORITIES

SUPPORT RETENTION OF LOCAL GOVERNMENT FUND, HOLD LGF HARMLESS FROM ADDITIONAL CUTS DUE TO TAX REFORM

CCAO opposes any additional cuts to the Local Government Fund in the FY 2016-2017 biennial budget and supports restoration of some of the disproportionate cuts imposed on local governments during the FY 2012-2013 biennium.

The Local Government Fund (LGF) represents the most critical element of state assistance to counties. In most counties, the LGF is the fourth or fifth largest source of income to the county general fund. The concept of sharing the major state taxes with local governments should be retained. From the perspective of counties, the LGF helps pay for various state-mandated programs. Unfortunately, the Local Government Fund has been reduced in recent years, posing an increasing challenge for counties.

From 2001 to the present the Local Government Fund has experienced the following changes in relation to the state:

- July 2001 to January 2008 LGF was cut and frozen for 6 ½ years resulting in $644 million gain to the state GRF and an equivalent loss to local governments.
- LGF put back on a percentage of tax receipts formula (3.68% of state GRF) with the support of local governments in 2008.
- LGF distributions decline by an additional $100 million or 14 percent from 2008 to 2009 due to the fiscal impact of the Great Recession on state GRF revenues.
- SFY 2012-2013 state budget reduces LGF by roughly 50 percent over a two year time period.

Statewide Distribution of Local Government Funds

This chart depicts funds distributed to counties, municipalities, townships, and park districts.

<table>
<thead>
<tr>
<th>Year</th>
<th>Dollars (in millions)</th>
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<tbody>
<tr>
<td>2008</td>
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<td>2012</td>
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• LGF put back on a percentage of state GRF tax receipts formula with LGF to receive 1.66 percent of state GRF as part of the SFY 2014-2015 state budget.

As part of the SFY 2014-2015 state budget, the General Assembly adopted tax reform changes that reduced personal income taxes, business taxes and state GRF revenues in SFY 2014 compared with SFY 2013 levels. The administration has set a goal of additional personal income tax cuts moving forward. In order to meet the growing expenses of complying with state mandates, the LGF must be held harmless from further reductions in revenues as the state continues the process of achieving tax reform.

Finally, since 2011, proposals have surfaced in the General Assembly to change the formula for distribution of LGF receipts so that townships and municipalities would receive a greater relative share of the funding by reducing the amounts received by most counties. The primary reason stated for this redistribution among the political subdivisions in the county is the fact that counties now receive casino revenue. CCAO opposes this change in the local distribution formula because counties continue to fund many mandated state programs that benefit the residents of municipalities and townships. If the LGF formula is to be changed, it must follow an analysis of not only revenues but also of state mandated expenditure requirements by various local governments.

Local Government Fund distributions declined 53% from 2008 to 2013. The LGF should be stabilized particularly as state revenues rebound.

MAINTAIN TANGIBLE PERSONAL PROPERTY TAX (TPP) AND PUBLIC UTILITY TANGIBLE PROPERTY (PUTP) REIMBURSEMENTS

CCAO supports continued suspension of the accelerated phase down of reimbursement payments for lost tangible personal property (TPP) taxes and public utility tangible property (PUTP) taxes to counties so as to benefit the various county service functions that rely heavily on property tax revenues.

TPP was phased out and eliminated under tax reform enacted in 2005 (HB 66). At the time the state phased out TPP the state created the commercial activity tax (CAT) and earmarked 100% of the CAT to make reimbursement payments to local governments for lost TPP taxes. Prior law provided local governments with full reimbursement for lost TPP through June 2011 with phased down reimbursements continuing through 2018. Laws providing for electric power deregulation and natural gas deregulation were adopted in 1999 and 2000, respectively. A portion (37%) of the kilowatt hour tax (KWH) and all of the natural gas tax (MCF) were earmarked for schools and local governments for property taxes lost due to electric and gas deregulation.

Under the SFY 2012-2013 state budget, the phase down in the reimbursement schedule to local governments for lost TPP and PUTP was accelerated using a complex formula that recognized the relative importance of the reimbursement on the operation of the local government or levy funded service function such as mental health/developmental disabilities, children services, and senior citizen programs.

In SFY 2013, $790 million (50 percent) of CAT revenue was allocated to the state GRF, $237 million (15 percent) was allocated to the Local Government Property Tax Replacement Fund, and $553 million (35 percent) was allocated to the School District Property Tax Replacement Fund.

In addition, the SFY 2012-2013 state budget reallocated all of the natural gas tax from local governments and schools to the state GRF and reallocated approximately 2/3 of the local share of kilowatt hour taxes from local governments and schools to the state GRF.

Reallocation of the natural gas tax and the kilowatt hour tax to the state generated an additional $57 million (natural gas) and $171 million (KWH), respectively, for the State GRF in SFY 2013, money previously allocated to local governments and schools.
MODERNIZE COUNTY BUDGET PROCESS AND BUDGET CONTROLS

CCAO supports the modernization of Ohio budget and appropriation laws so that the process is better understood by the public, concentrates on decisions that actually authorize the expenditure of public dollars, and gives enhanced expenditure control to the board of county commissioners as the appropriation authority.

The proliferation of special revenue funds and the trend to earmark certain fees for the exclusive use of certain officials reduces flexibility for commissioners to allocate scarce resources to programs most needed and removes effective oversight of the spending of public dollars. Too often when funds are earmarked for functions of specific county elected officials, these officials feel this money is “theirs” to do with as they choose.

CCAO opposes any new mandatory earmarking of county revenue sources. Ohio’s budget laws should be amended to give commissioners more oversight over all county budgets.

PERMIT COUNTY COMMISSIONERS TO ACCESS SPECIAL REVENUE FUNDS

Consistent with the authority of state government to divert money from certain special revenue funds to the state general revenue fund and to provide for the most efficient use of county resources, county commissioners should be authorized to divert money in special funds to the county general fund. Such authority should be exercised in accordance with all of the following:

- Not apply to funds comprised of voted property tax levies for specific purposes.
- Be done pursuant to a resolution of the board after public notice to other elected officials and the public and after a public hearing.
- Assure that adequate funds remain in the fund to meet any specific statutory mandate.
- Be authorized through a resolution that applies only to the current fiscal year.

In SFY 2013, the state GRF received an additional $1,019 million in CAT, natural gas and kilowatt hour tax revenues compared with 2009 according to the 2013 Department of Taxation Annual Report. Most of these revenues had been allocated to schools and local governments as recently as 2009.

The 2014-2015 state budget suspends the accelerated phase down in FY 14 so that any local government that had more than a 6% reliance on either TPP or PUTP would continue to receive reimbursements in CY 2014 and beyond. While only six counties have more than a 6% reliance on TPP and only three counties have such a reliance on the PUTP on the county general fund, the current suspension of phased-out reimbursement is very important to these counties.

However, many of the levy funded agencies of county government such as mental health/developmental disabilities, children services, and senior citizen programs have a much heavier reliance on property tax levies for their operating revenue. Continuing the suspension of the phase out for these agencies is critical and may eliminate the need for additional local property tax levies. CCAO recommends that the CAT continue to be used to make payments to local governments for forgone TPP tax revenue.

CASINO REVENUES

CCAO believes that the will of the voters in providing for the distribution of revenues to counties and other local governments should be upheld and that efforts to earmark or specify how these revenues are to be used by local governments should be avoided by the legislature, particularly given the uncertainty associated with the timing of the opening of the casinos and of competing VLTs at racetracks around the state. Any change in allocation of the gross casino revenue tax should only occur pursuant to another constitutional amendment.

The constitutional amendment provides clear language prohibiting the state from supplanting existing funding obligations of the state with the new revenue. Efforts to change the Local Government Fund distribution formula to give more funds to municipalities and townships violate the principle of no supplantation of existing funding embodied in the constitution.
Where a county elected official has control over a special revenue fund, permit the official to authorize the commissioners to transfer money from the special fund to the county general fund. If the county elected official with control over a fund refuses to authorize a transfer, permit the commissioners subject to the conditions outlined above to transfer special revenue funds to the general fund.

Counties seek similar authority that the state has to move money from certain special revenue funds to the general fund.

PROVIDE LOCAL GOVERNMENTS WITH ADDITIONAL PERMISSIVE MOTOR VEHICLE LICENSE TAX AUTHORITY

CCAO supports county engineers in seeking legislation to provide additional permissive motor vehicle license tax authority for counties.

CCAO supports counties having sufficient resources to meet the critical infrastructure needs of the traveling public and the business community for good roads and bridges. Additional permissive motor vehicle license tax authority has been agreed to in concept by CCAO, the County Engineers Association of Ohio (CEAO), the Ohio Municipal League and the Ohio Township Association.

The state last adjusted the state motor vehicle license tax for the benefit of local governments in 1980 and last granted additional permissive motor vehicle license tax authority to local governments in 1987. It is time for the state to revisit the question of the adequacy of these revenue sources for local governments going forward.

SEVERANCE TAXES ON OIL AND GAS

CCAO supports the following policy with respect to any proposal to increase severance taxes on the production of oil and gas:

- **Increase the tax rate** - The severance tax on oil and gas companies should be increased to a rate reasonably similar to the severance tax rates by other oil producing states.

The severance tax on oil and gas companies should be increased to a rate reasonably similar to the severance tax rates by other oil producing states.

Significant revenue should be returned to local governments with special emphasis to impacted counties.

- Majority of revenue to impacted counties - At a minimum, a majority of the severance tax revenue derived from horizontal wells should be retained by the counties in the Marcella or Utica Shale Plays. This revenue should be utilized by the counties and other local governments to develop infrastructure that improves the health, safety, and welfare of the citizens or is designed to enhance the potential for economic development, job creation and growth within the shale play area.

In addition, this revenue should support the increased demand for government services that are required to respond to, mitigate, or minimize the impacts resulting from the activity to access, extract, refine and transport to markets the minerals contained in the shale plays.

- Revenue from increased severance taxes on oil and gas companies should be used minimally to subsidize any form of tax cuts.

- **LGF hold harmless** - Local governments must be held harmless for any reduction of the Local Government Fund receipts resulting from the extension of any tax cuts or tax reductions that are subsidized with severance tax revenues. Any revenue required to do this must come off the top prior to any revenue allocated to support state agency operations including the ODNR orphan well closure program. In addition, it should not be taken for the allocation distributed to local governments within the shale plays.
• Some revenue should be used to restore local government funding cuts or to provide property tax relief.

• The property and Ad-Valorem tax formula in state law needs to be revised - Specifically, the law should provide local communities with more revenue from property taxes than they are expected to receive under the current tax structure.

• Road Use Maintenance Agreements (RUMA) - RUMA must be a mandatory condition for issuing a permit for an oil and gas well and for any permit for deep injection well for hydraulic fracturing waste fluids by the state. If agreement cannot be reached between the well owner/drilling company and local governments, a provision should be made for the appointment of an arbitrator to resolve any disputes and to make sure that a RUMA does not become an impediment to oil and gas development.

• Injection Wells - Provision should be made for local governments that have Class II injection wells operating within them to receive compensation from the injection well operator based on the volume of hydraulic fracturing waste disposed through the well. Waste liquid derived from the hydraulic fracturing process must be required to be processed to reclaim and recycle the water and its other natural and chemical additives and reduce the volume of material remaining that retains no commercial value. The remaining fracturing liquid must be disposed of in a manner approved by the Ohio EPA.

COMMITTEE RECOMMENDATIONS

COUNTY SETTLEMENT FEES

CCAO supports revisions to the settlement fee formula so that all counties experience comparable rates of growth in settlement fees as settlement amounts grow over time. Many, mostly smaller, counties have experienced a rate of growth in settlement fee increases that has not come close to the rate of growth in property tax distributions. The settlement fee formula was last adjusted in 1986. A formula change as proposed by the County Treasurers Association of Ohio would benefit all counties at a time when most counties are experiencing tight general fund budgets.

DEVELOPMENT IMPACTS ON TRANSPORTATION INFRASTRUCTURE

While CCAO supports the expansion and development of businesses, counties need additional revenue sources and assistance to address new infrastructure demands caused by that expansion and development. CCAO supports additional grants and revenue sources from the state to help finance such infrastructure. In providing additional support to counties for transportation infrastructure, the state needs to take into account the different needs of rural and urban areas by providing assistance to address specific types of infrastructure challenges that are unique to rural, suburban, and urban areas.

CCAO also supports a requirement that county commissioners and county engineers be notified of anticipated major new operations or expansions of businesses that could impact roads. CCAO supports a requirement that businesses/developers should work
with local officials in exercising mutual responsibility to maintain the local highway infrastructure.

In addition to financial support from the state, CCAO also supports new local tools, including collaborative authority for local governments to create transportation innovation authorities (TIAs). Transportation innovation authorities have been utilized by local jurisdictions in other states to finance cross-jurisdictional and multimodal transportation projects that have created jobs.

**IMPACT FEES**

The legislature should authorize counties to impose impact fees for new development. Permissive authority to impose impact fees should require counties, subject to public notice and comment, to conduct a careful study of additional costs attributable to new development and provide an equitable system for distributing costs among benefiting users. Impact fees could be used to pay for highway improvements, recreational facilities, and water, sewer, and drainage improvements.

**WAIVER OF TAX BUDGET**

Permit a board of commissioners to waive the tax budget provided the county budget commission is given necessary information on tax levy funds.

**STATUTORY COURT COSTS**

Clerk of court fees (ORC Section 2303.20) were last increased in 1992, and probate court fees (ORC Sections 2101.16 and 2101.17) have not been increased since 1976. These fees help offset the cost of the operation of the clerk of courts office and probate court. CCAO asks that these fees be increased significantly to offset the gross depreciation in their value resulting from inflation over the 22-year and 38-year periods.

**BILLING FOR COUNTY EMS RUNS**

The Association supports an amendment to the county EMS law explicitly granting counties authority to bill third parties for emergency medical service runs.

**LOCAL GOVERNMENT FUND ESTIMATES**

CCAO supports an amendment to the Local Government Fund (LGF) law to require the Department of Taxation to issue to each county auditor updated LGF estimates in the same manner in which such estimates are provided for the Public Library Fund during the calendar year in which such funds are to be distributed.

**TRANSFERS FROM SPECIAL FUNDS TO THE GENERAL FUND FOR COST OF INSURANCE AND SELF-INSURANCE**

CCAO appreciates recent changes to the joint self-insurance statutes that harmonize the single and joint self-insurance cost allocation methodologies for benefitting special funds in the county. CCAO recommends that the statutes relating to purchase of health insurance and property and liability insurance be reviewed to assure that ORC Sections 9.833, 2744.08, and 2744.081 are consistent and comply with professional insurance, actuarial, and technical standards. As it relates to cost allocation language in these laws, they should be consistent with language in ORC Section 4123.41 relating to the allocation of costs for workers compensation. Current insurance laws provide costs are to be based on the relative exposure and loss experience. CCAO seeks an amendment to add “or any combination of these factors,” to be consistent with language in the workers compensation statute.

**PERMISSIVE TAXES**

As part of its continuing joint effort with the state to provide stable funding sources for counties, CCAO supports increased flexibility for counties to levy permissive taxes to fund needed services at the local level. Counties should be given flexible authority to levy an additional sales and use tax and the existing sales and use tax in 1/8 percent, 1/4 percent, or 1/2 percent increments for any purpose now authorized by state law. The law should not require commissioners to submit the proposal to the electors, however, the right to referendum should be retained.

The authority to levy local sales taxes should be reserved for counties, and CCAO opposes efforts to give this authority to school districts and other political subdivisions.
The county permissive sales and use tax is one of the major revenue sources to fund state mandates and services supported by the county general fund. CCAO seeks sales tax base broadening and more flexibility to raise revenue.

SALES TAX BASE BROADENING AND TAX REFORM

As part of a continuing effort to provide stable revenues to counties, enhance county fiscal security, and generate revenue in a fair and equitable manner from all segments of our evolving economy, CCAO supports the broadening of the state’s sales and use tax base to include additional services and Internet, catalogue, and telephone sales.

CCAO objects to, and will strongly oppose, efforts to reduce or eliminate, or to recapture for the benefit of the state at the expense of counties, any additional sales and use tax revenue generated by counties through any broadening of the sales and use tax base that extends the tax to additional services, or to additional types of sales, such as Internet, catalogue, or telephone sales.

Finally, if any new tax reform results in the repeal or modification of additional major local taxes, the General Assembly should provide full, complete, and permanent replacement of lost revenue to local governments.

VENDOR OR CONSUMER SALES TAX REFUNDS

A consumer or a vendor has four years from the date that they erroneously or illegally paid the tax to file a refund request with the tax commissioner, unless the consumer or vendor waives the time limitation under ORC Section 5739.16 (A)(3). If the time limitation is waived, the refund application period must be extended for the same period as the waiver.

State tax policy should discourage over payment of state sales taxes by vendors. Vendors should be encouraged to pay only the sales taxes that are owed, thus minimizing the need for costly and financially disruptive refunds paid by county governments.

CCAO supports reducing the period of time during which a consumer or a vendor may seek a refund from four to three years. CCAO also supports eliminating the provisions of law (ORC Sections 5739.07 (D) and 5739.16 (A)(3)) permitting a consumer or vendor to waive the four year time limit for an indefinite period of time.

Existing law requires the tax commissioner to recover from the current receipts of the same tax source from which a refund is to be paid. If the current receipts from that tax source are inadequate for the purpose of covering the refund, then the refund is transferred from the current receipts of the state sales tax and then reimbursed to the state from the next distribution of that tax to the taxing jurisdiction. If the refund exceeds 25 percent of the next distribution of the tax, the tax commissioner may spread the recovery over a period of no more than two years, taking into account the amount to be recovered and the amount of future distributions.

CCAO supports extending the length of time a county may reimburse a consumer or vendor for an overpayment from a maximum of three years to a maximum of four years.

CCAO supports requiring the Department of Taxation to share sales and use tax return and audit information to boards of county commissioners to verify vendor compliance with a county’s sales and use tax.

INTERNET SALES TAX

In the interests of preserving the base of the state and local sales tax and ensuring that the merchandise marketplace is equitable, with no segment given an unfair advantage, CCAO supports federal legislation that would create an opportunity for states to simplify their sales tax collection systems and enhance their ability to collect taxes from remote sellers.

INDIRECT COST

CCAO supports legislation to authorize counties to recover indirect costs, including the costs of building renovations and expansions, from non-general fund programs, following strict cost accounting principles.
CONTROL OF AUDIT COSTS

CCAO supports legislative and other efforts to obtain relief for counties from the costs imposed by state audits. Audit cost reductions should be based on population of the county, a percentage of the county’s annual budget, or other fair and equitable criteria, with special consideration given to the costs imposed on less-populated counties.

In addition, CCAO supports legislation authorizing county commissioners to charge each office for the cost of an audit performed by the state auditor’s office, and authorizing the state auditor to waive annual audits in favor of biennial audits for entities that the state auditor determines to be at low risk of having audit exceptions.

DEPOSIT OF ALL FUNDS IN COUNTY TREASURY

Under current law, there are a variety of bank accounts maintained outside of the county treasury. CCAO supports legislation to require all monies collected by county agencies to be deposited and disbursed from the county treasury and all outside bank accounts to be closed. Asset forfeiture funds should also be accounted for within the county auditor’s general ledger. Exceptions to this general rule would be allowed for child support custodial monies and law enforcement undercover accounts of the sheriff and prosecutor. In the case of these accounts, additional financial reporting and internal controls would be required.

USER FEES

CCAO supports the increased utilization of user fees to fund specific county services. CCAO supports a thorough review of user fees and modernization of all user fees to reflect the cost of doing business.

General tax dollars should not be allocated to subsidize county functions that benefit users of specific services. Where policy does not dictate uniform statewide fees for services, the county should be given additional authority to adjust fees to reflect the cost of performing the specific service. Existing fees that go to the county general fund should not be earmarked for the exclusive use of any one office.

County commissioners must have flexibility to allocate resources in the budget process and provide appropriate oversight of spending of public monies.

In addition, authority should be granted to establish fees for the services of the county auditor as the sealer of weights and measures. Counties also should be given permissive authority to test the quality of fuel, but only if fees are charged to the fuel providers to fully fund the initiative.

Finally, CCAO seeks an increase in the current 50 cent fee to $2.00, which goes to the county auditor’s office, for the transfer or entry of land, lot, or part of lot, or the transfer or entry on or after January 1, 2000, of a used manufactured home or mobile home as defined in ORC Section 319.54 (G)(2).

COUNTY BOARD OF REVISION CHANGES

CCAO supports legislation to do all of the following:

- Create a more informal review process for adjustments to disputed valuations of $50,000 or less.
- Allow county auditors, with the approval of the board of revision, to correct errors in real property valuations after the tax duplicate is delivered to the county treasurer.
- Allow a board of revision to issue subpoenas and compel the attendance of witnesses and production of records and documents.
- Allow a board of revision to issue protective orders to restrict discovery of a complainant’s confidential.
- File complaints with the probate court to compel compliance with the board’s directives.
- Prevent any complainant who fails to provide to the board of revision any evidence or information that affects a property valuation from introducing that unprovided evidence or information in any appeal to the board of tax appeals or to a court.
• Require any person to be current in the payment of property taxes in order to file an appeal with the board of revision.

CCAO opposes legislation to permit anyone to appeal a decision from the county board of revision to the common pleas court. Appeals from the board of revision to the common pleas court should remain limited to property owners.

**COMPETITIVE BIDDING**

 Permit larger counties to waive performance bond requirements on construction projects that do not exceed $250,000.

 Require indexing of the competitive bid limit to the consumer price index (CPI) on either an annual or biennial basis.

**CONTRACTS FOR FISCAL AND MANAGEMENT CONSULTANTS**

 CCAO supports legislation to provide that all contracts for fiscal and management consultants only can be executed by a board of county commissioners. This does not apply to appraisal contracts paid from the real estate assessment fund.

**ADVERTISEMENT OF DELINQUENT PROPERTY TAXES**

 CCAO supports legislation to establish a dollar threshold below which the listing of delinquent property taxes would not have to be advertised in newspapers of general circulation and allow the full delinquent property tax list to be published on the Internet.

**STATE TERM CONTRACTS**

 CCAO supports legislation to eliminate state fees and quarterly reporting requirements for local governments using state term contracts and permit local governments to take delivery of patrol cars through local dealers.

**PRESERVATION OF PROPERTY TAX CREDIT PROGRAMS FOR TAXPAYERS**

 CCAO opposes efforts to reduce in scope or eliminate the current state-funded property tax relief program, which grants a 10 percent reduction in each taxpayer’s real property tax bill and an additional 2.5 percent reduction in real property tax bills for owner-occupied dwellings, and additional reductions under the homestead program for homeowners over age 65.

**PRESENTMENT OF CERTIFIED COPIES, IN PLACE OF ORIGINALS, TO THE COUNTY AUDITOR**

 CCAO supports legislation that would authorize the county auditor, when verifying the amount and purpose of monies payable from the county treasury, to accept legible certified copies of original invoices, receipts, bills, credit card statements, or checks in place of those original documents.

 The generating agency, office, officer, board, or tribunal must make original invoices, receipts, bills, credit card statements, or checks available for the county auditor to inspect at a time and place mutually convenient to both.

 The county auditor must not require a generating agency, office, officer, board, or tribunal to provide original invoices, receipts, bills, credit card statements, or checks if those documents are required to remain in the possession of the presenter for use in connection with any state, federal, or other audit.

**TAX MAP OFFICE**

 Amend Ohio law to eliminate the requirement that commissioners fund the tax map office from the general fund, allow the tax map office to be funded from the real estate appraisal fund (REA), and establish the county auditor as the appointing authority of the tax map draftsman and other tax map office employees. Permit the consolidation of tax map office services and geographic information system (GIS) services.
COUNTY ENGINEER FUNDING

Support legislation that eliminates the requirement that the commissioners support any part of the operation of the county engineer’s office from the county general fund. To the extent constitutionally permissible, the engineer’s office should be wholly funded through motor vehicle gas and license tax revenues collected by the state and distributed to county road and bridge funds by the state.

PROHIBIT TAX LEVIES AT SPECIAL ELECTIONS

Support legislation prohibiting taxing districts from submitting tax levies at special elections in February and August.

PAYMENT OF LODGING TAXES

Support legislation to increase the penalties for failure to collect and remit the lodging tax to local taxing districts (counties, municipal corporations, and townships) so that the penalties are similar to the penalties established by existing Ohio law for failure to collect and remit sales and use taxes.

LODGING TAX AND CONVENTION AND VISITORS BUREAUS

Counties may levy a lodging tax of not more than three percent on transient guests who stay at places of lodging in the county. Existing law (ORC Section 5739.09 (A)) requires the county levying a lodging tax on lodging transactions after paying the cost of administering the tax to return an amount not to exceed 1/3 to the municipal corporation or township (that is not levying the same lodging tax) in which the place of lodging is located. At least 2/3 of the revenue remaining after the cost of administering the tax must be placed in a special fund to the benefit of the convention and visitor’s bureau.

CCAO supports legislation that would revisit the relationship between Convention and Visitors Bureaus and taxing authorities with particular emphasis upon the purposes for which convention and visitors bureaus may expend funds and the reporting requirements of CVB’s to taxing authorities.

PUBLIC UTILITY PERSONAL PROPERTY TAXES

Under tax reform the state during 2005 through 2008 phased out tangible personal property taxes on machinery, equipment, and inventory paid by businesses operating in Ohio, but retained personal property taxes on the tangible personal property of public utilities including electric, rural electric, natural gas, pipeline, water works, water transportation, heating and telegraph companies. Given the importance of this remaining revenue source to counties and local governments, CCAO opposes elimination of or further reductions to personal property taxes paid by public utilities operating in Ohio.

When a utility taxpayer files with the tax commissioner for a reduction in tangible personal property taxes, local taxing districts, including the county commissioners of any county affected by an appeal, should be notified of the appeal and should have standing to appeal the decision of the tax commissioner if the decision of the tax commissioner is adverse to the interests of the affected taxing district.

TAX INCREMENT FINANCING (TIF)

The last state budget permits counties, municipalities and townships to establish TIFs that commence whenever one of the following occurs:

- The value of an improvement exceeds a specified amount.
- The construction of one or more improvements is completed.
- Regarding an incentive district TIF, the exemption may commence in different years on a parcel-by-parcel basis.

This language has the practical effect of allowing TIFs to exist well beyond the 30-year time period originally authorized for a TIF. CCAO supports legislation that would limit TIFs to as close to 30 years as possible while grandfathering TIFs that have been authorized under the new law and are currently in place.
VALUATION OF LOW INCOME HOUSING PROJECTS

In the case of Woda Ivy Glen Ltd. Partnership vs. Fayette County Board of Revision (2009), the Ohio Supreme Court ruled that new low income rental properties must be appraised using an income approach rather than a cost approach to value. This decision has the practical effect of undervaluing the construction valuation of these properties, disregarding income to the owners of these properties who receive substantial tax credits, decreasing the tax base for taxing districts, and shifting the tax burden to other residential/agricultural land owners.

CCAO supports an amendment to the property tax law that would permit the valuation of such properties on the basis of construction value, not income. If income approach to valuation must be used, then the value of substantial income tax credits should be added to the income of the owners of such properties for valuation purposes.

SUNSET THE COUNTY RECORDERS TECHNOLOGY FUND

The current state budget permits any county recorder to request on an annual basis that additional county recordation dollars be allocated to the County Recorders Technology Fund for a period of five years. If requested by the county recorder, establishment of the fund and allocation of the recordation fees from the general fund to the Technology Fund is mandatory. CCAO supports letting this mandate expire at the end of 2018 when existing law makes the allocation of funds discretionary on the part of county commissioners.

LIBRARY AND HEALTH DISTRICT LEVIES

CCAO supports giving a board of commissioners discretion regarding the submission, type of property tax levy (renewal, increase, reduction, replacement), millage, and duration of property tax levies submitted to the voters for the purpose of funding a health district or library. Existing law requires a board of commissioners to submit a levy to voters whenever requested by a board of health or a library board.
Water Quality Task Force

Co-Chair: Pete Gerken, Lucas County Commissioner
Co-Chair: Doug Spencer, Auglaize County Commissioner
Staff: Brian Mead, Policy Analyst

Water Quality Recommendations

- Efforts to reduce nutrient pollution in Lake Erie must be measured for nonpoint sources as well as point sources, and must apply to all states in the Lake Erie watershed.

- Successful nutrient reduction efforts will require buy-in and participation from the affected stakeholders, including agriculture, industry, the public, and local, state and federal governments.

- On-going data collection regarding the sources of nutrient pollution throughout the watershed and long term monitoring of the success of nutrient reduction efforts, are necessary.

- Water quality trading programs could be part of the solution to the nutrient pollution problem in the Lake Erie basin, but such programs must be carefully designed and implemented to be successful.

- Continued research by the scientific community, and consideration of long-term climate change projections for the Lake Erie basin should be conducted by land grant universities from Ohio, Indiana, Michigan and other associated universities.

- The Ohio General Assembly should enact legislation:
  - Establishing a goal of a 40 percent reduction in phosphorus loading to Lake Erie from Ohio sources;
  - Providing Ohio Soil and Water Conservation Districts with additional funding to address these goals.

- The Ohio General Assembly should enact legislation restricting the application of phosphorus-containing fertilizer on lawns, and golf courses.

- OEPA should establish by rule phosphorus effluent limit for all publicly owned treatment works (POTWs) in Ohio.

- OEPA should include more “green” infrastructure requirements for municipal separate stormwater systems in Ohio.

- OEPA should use its enforcement authority under ORC chapter 6111 against property owners whose home sewage treatment systems (HSTS) lack an NPDES permit and are designed to discharge off lot.

- Local boards of health in Ohio should use their enforcement authority against public nuisance HSTS that are significantly contributing to phosphorus pollution.

- The Ohio Department of Health should consider imposing more stringent standards when permitting the installation, alteration or operation of HSTS in order to minimize phosphorus pollution.

- ODA should carry out the mandate of Senate Bill 150 and SB 1 for a fertilizer applicator certification program.
The County Commissioners Association of Ohio supports effective county government for Ohio through legislative advocacy, education and training, technical assistance and research, quality enterprise service programs, and greater citizen awareness and understanding of county government.