



# STATEHOUSE REPORT

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## Call to action! Complete & permanent replacement for Medicaid managed care sales tax loss

27 counties have passed resolutions urging their state legislators to protect counties from the negative effects of the Medicaid managed care sales tax loss. Have you passed your resolution? If so please send to [Curt Pratt](#).

Check out these advocacy checklists for more opportunities to engage with...

### Legislators

- Pass the MCO resolution and send to your legislators  
[Sample letter/Sample resolution](#)
- Call your legislators
- Meet one-on-one with your legislators  
[Talking Points](#)

### County Officials

- Hold a meeting with all county elected office holders to discuss budget implications
- Meet with organizations who partner with the county like OSU extension or soil and water districts

### Community

- Meet with local service clubs
- Meet with business and economic development leaders
- Ask your constituents to call state legislators
- Hold a community forum and invite your legislators  
[Meigs County town hall](#)

### Media

- Pass the MCO resolution and send a press release to the media
- Meet one-on-one with your local newspaper
- Invite the media to attend community forums and/or meetings with other county officials

## Ohio House passes transportation budget with optional county MVL fee

The biennial transportation budget ([HB 26](#)) cleared the House Wednesday in an 83-13 vote after several amendments were struck down in largely party-line votes. The transportation budget includes a permissive \$5 MVL fee supported by CCAO and the County Engineers Association of Ohio.

**CCAO encourages commissioners, county council members and county executives to contact their State Senators to express support for this additional permissive MVL fee authority.**

Representative Rob McColley (R-Napoleon), sponsor of the transportation budget noted, "There's a lot of stuff in this bill that's trying to help local governments. They're crying out for help, especially with the roads and bridges, and we've listened to them."

[Rep. Jack Cera](#) (D-Bellaire) spoke in favor of the legislation, which narrowly garnered more opposition from majority Republicans than minority Democrats. "This will fund much needed construction and maintenance for the state and local highways. The bill will create jobs," Cera said.

One of several provisions intended to address local transportation funding needs is a \$5 county permissive motor vehicle license (MVL) fee. The permissive MVL proposal, sponsored by Representative Bill Seitz (R-Cincinnati), was incorporated in an earlier omnibus amendment adopted by the House Finance Committee. This proposal would permit any board of commissioners to adopt a \$5 MVL with all of the revenue allocated to existing county road and bridge funding purposes.



Rep. Seitz

An amendment was offered by Representative Alicia Reece (D-Cincinnati) which would have required commissioners to submit the question of adopting the MVL fee to a vote of the electors of the county. This amendment was tabled by a vote of 62 – 34.

CCAO urges commissioners and other county officials to express support for the permissive MVL authority to their state senators now that the transportation budget is officially pending before the Senate Transportation, Commerce and Workforce Committee. Public testimony is slated for March 7, 8, 14, 15, 16, 20 and 21. A committee vote is expected March 22.

Overall, the transportation budget calls for spending \$7.82 billion over the biennium, with ODOT spending receiving \$6.5 billion of the total, according to the Legislative Service Commission's [spreadsheet](#). ([Redbook](#)). Approximately, \$5.60 billion (86.2%) of the ODOT budget is appropriated for highway construction and maintenance. Other highlights include:

- Public Works Commission – Appropriates \$124.6 million over the biennium for the Local Transportation Improvement Program (LTIP) which is utilized by local district public works integrating committees for local road and bridge projects.

- Development Services Agency – Appropriates \$30.4 million to provide for roadwork development grants
- Department of Public Safety – Proposes to spend \$1.17 billion over the biennium for criminal and traffic law enforcement (highway patrol), driver licensing, motor vehicle registration and titling, disaster response and recovery, and traffic safety and education program administration.

For more information on the items discussed in this article, please contact Brad Cole of the CCAO staff at [bcole@ccao.org](mailto:bcole@ccao.org)

## Certified mail reform passes House

On Tuesday the Ohio House unanimously passed HB 34, sponsored by State Representatives Steve Hambley (R-Brunswick) and Scott Ryan (R-Newark), which would give state, county, and local governments an alternative to sending documents via certified mail, a practice that costs these organizations significantly more money than utilizing traditional mail. This is one of CCAO’s platform items and we sincerely appreciate Representatives Hambley’s and Ryan’s leadership on managing this legislation.

House Bill 34 provides that a state agency or local government can provide official notification to a citizen through the use of both a verified email address and ordinary mail delivery in lieu of certified mail. The legislation outlines 29 instances in which internet communication and regular mail can be used as an alternative to certified mail, should the government entity choose.



Rep. Hambley

“Over the last three years, I have often spoken about the State of Ohio providing our local governments with more options, instead of less in serving the needs of their constituents,” said Hambley. “This is about good government and improving the efficiency and effectiveness in the delivery of official notices by our local subdivisions and state agencies.”

The purpose of certified mail is to provide an indisputable record that documentation was actually delivered, or attempted to be delivered to a recipient. However, in the case of Cuyahoga County, 85 percent of certified mail notices are returned unclaimed or undeliverable in a typical year. At \$5.00 per certified mailing, this cost adds up to \$500,000 per year.

Hambley and Ryan noted that local governments should not have to pay such a high price for an outdated form of communication and should be able to notify residents through the internet if that individual has previously provided the local government with a way to contact them, such as disclosing an email address on an official application or other certified form.



Rep. Ryan

“This legislation provides the opportunity for many government entities to avoid spending taxpayer money on very expensive, ineffective, and outdated mandates for certified mail requirements,” Ryan said. House Bill 34 does not require the state agencies or local governments to contact residents via the internet, but rather provides the entities with additional options to lessen the financial burden. If the agency does not have a verified way to contact the individual through the internet, certified mail must still be used.

## New prevailing wage proposal

Senator Matt Huffman (R-Lima) unveiled new legislation on Monday that would give local governments the option to pay prevailing wage on construction projects. [Senate Bill 72](#) would eliminate the prevailing wage requirement and allow locals to decide if they want to pay the higher wage on a case by case or comprehensive basis. While speaking at the event, Senator



Senator Huffman

Huffman highlighted the positive impact this legislation could have on smaller communities where the current state requirement directs them to pay wages that might exceed market conditions on key infrastructure projects.

Allen County Commissioner Jay Begg spoke in support of the bill, explaining that the market rate in his area for skilled trades is about \$18 per hour, while there are very few prevailing wage jobs that are less than \$25 per hour. He also said prevailing wage carries with it a series of classification issues that create work for local administrators. The CCAO Board of Directors voted to support this legislation at their last meeting.

If you have questions on the bill please contact [Brad Cole](#) or [Kate Neithammer](#).

## Senate tax writing committee continues to gauge interest in potential CAUV collar

Members of the Senate Ways & Means Committee continued exploring the feasibility of establishing a "collar" to stabilize the property taxes of farmers under the Current Agricultural Use Value (CAUV) formula.

The discussion came during a third hearing on a bill ([SB 36](#)) farmers say will make future property tax increases more manageable under the CAUV formula which in recent years has driven up taxes on farmers by as much as 300%, according to the Ohio Farm Bureau and other proponents of the bill. The CAUV legislation is sponsored by Senator Cliff Hite (R-Findlay).



Senator Hite

The concept of a "collar" to stabilize property taxes was first proposed by Senator Lou Terhar (R-Cincinnati). Senator Terhar's concept would be to establish maximum and minimum thresholds for agricultural property taxes and provide more certainty to farmers with the difference carrying forward into the next tax year.

Reactions to the collar concept from proponent witnesses varied with some embracing the idea and others stating that such a concept adopted now would simply lock in very high agricultural property tax rates that farmers are already paying.

The committee has yet to hear from school and other local government groups which are expected to raise concerns about the legislation. CCAO is an interested party on the legislation.

The CAUV bill includes the following major provisions:

- Requires computation of the capitalization rate for purposes of determining CAUV of agricultural land be calculated using a method that excludes appreciation and equity buildup; and
- Requires that CAUV land used for a conservation practice or enrolled in a federal land retirement or conservation program for three years be valued at the lowest of the values assigned on the basis of soil type by the Department of Taxation

Hearings on the CAUV bill are expected to continue. For additional information regarding this bill contact Brad Cole at [bcole@ccao.org](mailto:bcole@ccao.org)

## Bills Introduced



### SB 71

#### **AGENCY CONTRACTS** ([MANNING, G.](#))

To allow a board of alcohol, drug addiction, and mental health services to authorize its executive director to execute contracts valued at \$50,000 or less without the board's prior approval.

### SB 72

#### **PREVAILING WAGE** ([HUFFMAN, M.](#))

To allow political subdivisions, special districts, and state institutions of higher education to elect to apply the Prevailing Wage Law to public improvement projects.

### SB 75

#### **PROPERTY LIENS** ([BROWN, E.](#))

Regarding property liens for unpaid county or municipal water service charges.

### SJR 3

#### **CONGRESSIONAL DISTRICTS** ([LAROSE, F.](#))

Proposing to amend the versions of Sections 1, 2, 3, 4, 6, 8, and 9 of Article XI that are scheduled to take effect January 1, 2021; to amend, for the purpose of adopting new section numbers as indicated in parentheses, the versions of Sections 1(2), 2(3), 3(5), 4(6), 5(7), 6(8), 7(9), 8(10), 9(11), and 10(12) of Article XI that are scheduled to take effect January 1, 2021; and to enact new Sections 1 and 4 of Article XI of the Constitution of the State of Ohio to revise the redistricting process for congressional districts.

### SJR 4

#### **WATER SEWER BONDS** ([SCHIAVONI, J.](#))

Proposing to enact Section 2t of Article VIII of the Constitution of the State of Ohio to permit the issuance of general obligation bonds to fund sewer and water capital improvements.

### **SB 80**

#### ***EBT CARDS*** ([HUFFMAN, M.](#))

To establish requirements for electronic benefit transfer cards issued under the Supplemental Nutrition Assistance Program.

### **SB 81**

#### ***FIREARMS*** ([TERHAR, L.](#))

To waive the concealed carry license fee for active members of the armed forces and retired and honorably discharged veterans, to accept military experience with firearms as proof of competency with firearms regardless of when the applicant for a license acquired the experience, to permit a licensee to renew a concealed handgun license at any time before the expiration of the license, and to require the Attorney General to monitor the number of license fees waived and cap the total amount allowed to be waived at \$1.5 million.

### **SB 88**

#### ***FISCAL EMERGENCIES*** ([TERHAR, L.](#))

To modify the composition and powers of the financial planning and supervision commission of a political subdivision that is in a state of fiscal emergency and to clarify the duties of that political subdivision.

### **HB 99**

#### ***PNEUMOCONIOSIS CLAIMS*** ([CERA, J.](#))

To modify workers' compensation benefit amounts for occupational pneumoconiosis claims and to create the Occupational Pneumoconiosis Board to determine medical findings for such claims.

### **HB 103**

#### ***FISCAL PLANNING COMMISSIONS*** ([REINEKE, B.](#))

To modify the composition and powers of the financial planning and supervision commission of a political subdivision that is in a state of fiscal emergency and to clarify the duties of that political subdivision.

### **HB 104**

#### ***CREDIT ACCOUNT DEBT*** ([SCHAFFER, T.](#))

To allow vendors to receive a refund of sales tax remitted for bad debts on private label credit accounts when the debt is charged off as uncollectible by the credit account lender.

### **HB 105**

#### ***WELL FUND*** ([CERA, J.](#), [HILL, B.](#))

To limit the amount of revenue that may be credited to the Oil and Gas Well Fund and to allocate funds in excess of that amount to local governments, fire departments, and a grant program to encourage compressed natural gas as a motor vehicle fuel.

## Hearing Schedule



### MONDAY, MARCH 6

#### [Joint Committee on Agency Rule Review](#)

(Chr. [Duffey, M.](#), (614) 644-6030), Rm. 121, 1:30 pm

### TUESDAY, MARCH 7

#### [House Ways & Means](#)

(Chr. [Schaffer, T.](#), (614) 466-8100), Rm. 121, 9:00 am

Testimony on budget personal income tax, CAT, filing tax changes and municipal tax changes

#### [Senate Insurance & Financial Institutions](#)

(Chr. [Hottinger, J.](#), (614) 466-5838), Finance Hearing Rm., 9:30 am

#### [SB 66](#)

##### ***CRIMINAL LAWS*** ([EKLUND, J.](#), [TAVARES, C.](#))

To modify criminal sentencing and corrections law by including rehabilitation as a purpose of felony sentencing, removing the one-year minimum for presumptive fourth or fifth degree felony community control sanctions, modifying sanctions for a violation of a community control condition, modifying the manner of calculating confinement credits, modifying eligibility criteria and procedures for granting intervention in lieu of conviction, making offenders convicted of certain multiple fourth or fifth degree felonies eligible for conviction record sealing, revising procedures for the Adult Parole Authority to grant a final release or terminate post-release control, and modifying the criteria for considering a prison term sanction for a post-release control violation. --1st Hearing-Sponsor

#### [HB 4](#)

##### ***COCAINE OFFENSES*** ([CUPP, R.](#), [ROGERS, J.](#))

To provide that in determining the amount of cocaine for trafficking and possession offenses, it also includes a compound, mixture, preparation, or substance containing cocaine, and to declare an emergency. --2nd Hearing-Proponent



## SB 1

### **DRUG OFFENSES** (LAROSE, F.)

To increase penalties for drug trafficking violations, drug possession violations, and aggravated funding of drug trafficking when the drug involved in the offense is a fentanyl-related compound, to revise the manner of determining sentence for certain violations of the offense of permitting drug abuse, and to add lisdexamfetamine to the list of schedule II controlled substances. --4th Hearing-  
**All testimony-Possible amendments & vote**

### House Finance: State Government & Agency Review Sub.

(Chr. Faber, K., (614) 466-6344), Rm. 017, 11:30 am or after session

Budget testimony from Athletic Commission, Architects Board, Respiratory Care Board, Cosmetology Board and public testimony

### House State & Local Government

(Chr. Anielski, M., (614) 644-6041), Rm. 122, 1:00 pm

## HB 54

### **REVENUE OBLIGATIONS** (BLESSING, L., GAVARONE, T.)

To authorize the Treasurer of State to issue revenue obligations of the state for the purpose of making loans to qualifying public entities for their acquisition of permanent improvements through the Treasurer of State's purchase of public obligations of those qualifying entities. --3rd Hearing-  
**Possible vote**

## HB 69

### **TIF DISTRICTS** (CUPP, R.)

To require reimbursement of certain township fire and emergency medical service levy revenue forgone because of the creation of a municipal tax increment financing district. --1st Hearing-  
**Sponsor**

### Senate Session

(Chr. Obhof, L., (614) 466-4900), Senate Chamber, 1:30 pm

### House Criminal Justice

(Chr. Manning, N., (614) 644-5076), Rm. 114, 1:30 pm

## SB 25

### **PERRY COUNTY COURT** (HOTTINGER, J.)

To create the Perry County Municipal Court in New Lexington on January 1, 2018, to establish one full-time judgeship in that court, to provide for the nomination of the judge by petition only, to abolish the Perry County County Court on that date, to designate the Perry County Clerk of Courts as the clerk of the Perry County Municipal Court, and to provide for the election for the Perry County Municipal Court of one full-time judge in 2017 and to declare an emergency. --1st Hearing-Sponsor

### House Economic Development, Commerce & Labor

(Chr. Young, R., (614) 644-6074), Rm. 113, 1:30 pm



## HB 2

### **CIVIL RIGHTS LAWS** (SEITZ, B.)

To modify Ohio civil rights laws related to employment. --4th Hearing-All testimony-Possible amendments & vote

### Local Government, Public Safety and Veterans Affairs

(Chr. Uecker, J., South Hearing Rm, 10:30 am

## SB 43

### **TOWNSHIP BUILDING CODES** (BACON, K.)

Enable limited home rule townships to adopt building codes. --1<sup>st</sup> Hearing - Sponsor

### Senate Transportation, Commerce & Workforce

(Chr. LaRose, F., (614) 466-4823), Finance Hearing Rm., 2:30 pm or after session

## HB 26

### **TRANSPORTATION BUDGET** (MCCOLLEY, R.)

To make appropriations for programs related to transportation and public safety for the biennium beginning July 1, 2017, and ending June 30, 2019, and to provide authorization and conditions for the operation of those programs. --2nd Hearing-All testimony-Pending referral

## **WEDNESDAY, MARCH 8**

### House Finance: Agriculture, Development & Natural Resources Sub.

(Chr. Thompson, A., (614) 644-8728), Rm. 018, 9:00 am

Budget testimony from Department of Commerce

### Senate Ways & Means

(Chr. Eklund, J., (614) 644-7718), South Hearing Rm., 9:00 am

## HB 11

### **TAX LAWS** (SCHERER, G.)

To expressly incorporate changes in the Internal Revenue Code since February 14, 2016, into Ohio law. --2nd Hearing-All testimony-Possible vote

## SB 36

### **AGRICULTURAL LAND** (HITE, C.)

To require that the computation of the capitalization rate for the purposes of determining CAUV of agricultural land be computed using a method that excludes appreciation and equity buildup and to stipulate that CAUV land used for a conservation practice or enrolled in a federal land retirement or conservation program for at least three years must be valued at the lowest of the values assigned on the basis of soil type. --4th Hearing-Opponent & interested party

## [House Finance: Transportation Sub.](#)

(Chr. [McColley, R.](#), [\(614\) 466-3760](#)), Rm. 121, 9:00 am

Budget testimony from Department of Public Safety and Public Works Commission

## [Senate Government Oversight & Reform](#)

(Chr. [Coley, B.](#), [\(614\) 466-8072](#)), Finance Hearing Rm., 9:45 am

### [SB 10](#)

#### ***PRIMARY ELECTIONS*** ([LAROSE, F.](#))

To expand the circumstances under which a board of elections or the secretary of state is not required to hold a primary election. --3rd Hearing-All testimony-Possible amendments & vote

## [Senate Transportation, Commerce & Workforce](#)

(Chr. [LaRose, F.](#), [\(614\) 466-4823](#)), South Hearing Rm., 10:15 am

### [HB 26](#)

#### ***TRANSPORTATION BUDGET*** ([MCCOLLEY, R.](#))

To make appropriations for programs related to transportation and public safety for the biennium beginning July 1, 2017, and ending June 30, 2019, and to provide authorization and conditions for the operation of those programs. --3rd Hearing-All testimony-Pending referral

## [House Higher Education & Workforce Development](#)

(Chr. [Duffey, M.](#), [\(614\) 644-6030](#)), Rm. 115, 11:00 am

Presentations from the Legislative Service Commission regarding Higher Education and Workforce Development

## [Senate Session](#)

(Chr. [Obhof, L.](#), [\(614\) 466-4900](#)), Senate Chamber, 1:30 pm [Add to Calendar](#)

## [House Session](#)

(Chr. [Rosenberger, C.](#), [\(614\) 466-3357](#)), House Chamber, 1:30 pm

## [House Finance: State Government & Agency Review Sub.](#)

(Chr. [Faber, K.](#), [\(614\) 466-6344](#)), Rm. 017, 2:00 pm or after session

Budget testimony from Occupational, Physical Therapy and Athletic Trainers Board, Counselor, Social Worker & Marriage and Family Therapist Board, Psychology Board, Orthotics, Prosthetics, and Pedorthics Board and public testimony

## [House Armed Services, Veterans Affairs & Homeland Security](#)

(Chr. [Johnson, T.](#), [\(614\) 466-2124](#)), Rm. 116, 4:00 pm or after session

## House Civil Justice

(Chr. [Butler, J., \(614\) 644-6008](#)), Rm. 018, 4:00 pm

## House Community & Family Advancement

(Chr. [Ginter, T., \(614\) 466-8022](#)), Rm. 114, 4:00 pm

### HB 50

#### ***EBT CARDS*** ([SCHAFFER, T.](#))

To establish requirements for electronic benefit transfer cards issued under the Supplemental Nutrition Assistance Program. --1st Hearing-Sponsor

## **THURSDAY, MARCH 9**

## House Finance: Agriculture, Development & Natural Resources Sub.

(Chr. [Thompson, A., \(614\) 644-8728](#)), Rm. 018, 9:00 am

Budget testimony from Veterinary Medical Licensing Board and PUCO

## House Ways & Means

(Chr. [Schaffer, T., \(614\) 466-8100](#)), Rm. 121, 9:00 am

Tobacco/OTP/vapor taxes, beer and wine taxes. Before public testimony, Commissioner Testa will return to the committee to continue Q&A.