



STATEHOUSE REPORT

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Proposed pay commission might focus on state officials

Ohioans might be asked to decide whether they would like a constitutionally established pay commission set compensation for lawmakers and statewide officeholders, only. Senate Joint Resolution (SJR) 1 may be amended in the near future in the House Government Oversight and Accountability Committee to remove local officials, which are currently included in the proposal.

Senate President Keith Faber, R-Celina, sponsor of [SJR 1](#), has contended that legislators should not be responsible for compensation. He proposed a constitutional amendment to create an appointed commission that would vote every two years to set salary adjustments for elected officials. Lawmakers would vote only if they wanted to reject the report.

According to the *Columbus Dispatch*, Faber said he would have preferred that the commission handle pay raises for all officeholders, but the revised proposal is “adequate.”

“I think you ought to take politicians out of all pay raises for other politicians, but this takes politicians out of pay raises for themselves, and that’s a step in the right direction,” Faber said. “If you think local government folks don’t lobby legislators for pay raises, just go ask the judges.”

Rep. Tim Brown, R-Bowling Green, chairman of the House Government Accountability & Oversight Committee and a former county commissioner, told the *Dispatch* that he would prefer to see local officials get raises in perpetuity that match cost of living increases up to 3 percent.

“Look how long it took us to get pay raises for local elected officials,” he said. “I just think that’s an egregious dereliction of duty by the legislature.” Brown also noted the unwillingness of lawmakers to raise pay for themselves or other statewide officeholders, “A more accurate reflection of what the pay should be might be considered by someone outside the process.”

The pay commission’s nine members would include appointments by the governor, legislative leaders from both parties and the Ohio Supreme Court chief justice.

Brown said it’s possible for the House to take action soon. If the issue is going to appear on the November ballot, lawmakers need to pass it within the next few weeks before they go on a summer-to-fall break.

EPA MBR moving fast, expected to pass Senate next week

The Senate Energy and Natural Resources Committee heard testimony on [HB 512](#), the administration-backed EPA MBR, which addresses concerns over lead in drinking water systems.

[Rep. Tim Ginter](#) (R-Salem), the bill's sponsor, and Ohio EPA Director Craig Butler testified in support of the bill saying it will require faster response to lead contamination events in water supplies and provide resources for systems to prevent drinking water problem. The measure that would cut the timeline by which local water systems must notify the public of lead contamination to two days from the current 30 days. If that notification doesn't occur, the Ohio Environmental Protection Agency would step in and must alert the public within 10 days.

When the federal Safe Drinking Water Act was created, it instituted timelines of 30 days or more for notifying people of water contamination from lead. That law was created in 1974, an era in which Director Butler said people thought lead only caused problems over the long term and in which mass notification was difficult. "We think those timelines are much too long, given the technology and the means that we have to be able to almost instantaneously communicate with the public," he said.

Sen. Bill Seitz (R-Cincinnati) expressed concerns that, particularly for larger water systems, the notification requirements could cause more panic than necessary. If the problem is localized to one small area of a system, the notification should be also, he said. "It just strikes me that you're going to scare more people than you're going to help," he said. Director Butler said the notification process gives the systems time to send out fact sheets about the problem. The bill also encourages systems to map out the lead aspects of their systems so they can better target notifications.

Some local officials have raised concern with the two-day notification requirement and requested the two-day requirement be changed to five business days. CCAO and the County Sanitary Engineers Association are working with other local government groups on this matter. The legislation is expected to pass committee next Tuesday, and be voted on by the full Senate on Wednesday.

Second EPA MBR dealing with water quality introduced

The Kasich Administration on Wednesday unveiled a second mid-biennium review bill to tackle water quality and environmental issues in Ohio. Sen. Cliff Hite (R-Findlay) introduced the bill [SB 333](#). The new bill would expand phosphorus reduction efforts in Lake Erie and establish new regulatory framework for dredging and the disposal of construction debris, according to the administration.

The bill would refocus the Lake Erie Commission on protection and restoration efforts of the lake. It would do so by updating the commission's mission to include assisting Ohio in meeting commitments under the Great Lakes Water Quality Agreement - which includes reducing

HB 512-EPA MBR

Public Water System Regulations

CCAO Position: Interested Party

Status: House Energy & Natural Resources Committee

Key Provisions:

- Expediting public notice of lead contamination
- Financial assistance to communities and schools to identify and prevent lead contamination.



Sen. Cliff Hite

phosphorus in the lake's western basin by 40% by 2025 - and identifying and supporting programs to enable the beneficial use of dredged materials.

It would also require public water systems to implement an asset management program to "demonstrate ongoing technical, financial and managerial capability by implementing an asset management program." The plan is to include an asset inventory and evaluation, emergency preparedness planning programs, approved capacity projections, capital improvement plans, a long-term funding strategy, and more, according to the bill's language.

The bill would enable the OEPA director to petition a court of common pleas to appoint a receiver to take possession of and operate a public water system serving fewer than 500 service connections "when conditions existing...present a threat to the public health or welfare." That provision, however, would not apply to systems owned or operated by a public entity or regulated by the Public Utilities Commission of Ohio.

Other specific provisions of the bill include:

- Establishing "a straightforward regulatory framework for the safe and beneficial reuse of material dredged from federal navigation channels.
- Requiring financial assurance from new or modified private water systems to ensure they are able to make needed repairs.
- Strengthening new Certified Water Quality Professional provisions first established in the most recent budget, including authority for the OEPA director to require names and other information on those professionals be published on the agency's website.
- Clarifying the OEPA director has the authority to waive, transfer, revoke, or - at the request of a permit holder - modify a 401 water quality certification.
- Harmonizing state and federal laws by authorizing the OEPA director, in lieu of the U.S. EPA, to issue permits to an entity discharging into a privately owned treatment works.
- Creating regulatory oversight of the disposal of construction and demolition debris.
- Strengthening the state's ability to clean up abandoned landfills by gaining site access, conducting investigations and taking samples from such sites.

For additional information on environmental and water quality legislation, please contact CCAO staffer Brian Mead at bmead@ccao.org or 614-220-7982.

CCAO submits testimony opposing refund for vendors with bad debt on private label credit cards

In written [testimony](#) before the House Ways and Means Committee, CCAO Managing Director of Research Brad Cole opposed legislation permitting vendors to receive a refund of sales taxes remitted for bad debts on private label credit accounts when the debt is charged off as uncollectible by the credit card lender.

Of primary interest to CCAO is the revenue loss attributable to the private label credit card refunds and deductions which according to a Legislative Service Commission fiscal note would reduce the state general revenue fund (GRF) by approximately \$9.3 million per year and county/transit authority revenue loss of \$2.3 million per year on an ongoing basis. The deduction applies to bad debts charged off on or after July 1, 2014. Due to the refund provision, the fiscal note estimates that the initial fiscal cost of the private label credit card provisions of the bill is likely to be several million dollars more than the \$9.3 (state) and \$2.3 million (local) amounts.

The bill consists of three sets of provisions all of which would reduce state general revenue fund dollars and also reduce distributions to the two local government funds – the Local Government Fund and the Public Library Fund. The three sets of provisions include:

- Permits vendors to deduct or apply for a refund of sales tax remitted for bad debts on private label credit cards used to make purchases from the vendor, even though the debt is charged off on the books of the credit card lender.
- Permits certain bad debt deductions and refunds of cigarette excise taxes remitted by wholesalers.
- Allows additional firms and their investors to qualify for Invest Ohio personal income tax credit, thus reducing revenue from the state personal income tax

Taken together, all of these tax law changes would reduce state GRF tax receipts by approximately \$13.1 million per year. This revenue loss is likely to be greater than this amount in the first year or two simply because of the refund provisions of the private label credit card charge off and refund of bad debt on cigarette excise taxes.

In addition to the tax policy changes described above, the bill would repeal ORC Chapter 324 which permits counties to levy a county utility services tax. This potential county revenue source has been available to counties for 47 years, but due to problems with implementation of such a tax no county has ever adopted this tax.

For additional information regarding [HB 473](#), please contact Brad Cole at bcole@ccao.org.

Coroner Bill passes the Senate

The Ohio Senate on Wednesday passed legislation that would update coroner laws, [HB 240](#), 29-0. This legislation is of interest to CCAO primarily because it would revise how the office of coroner is filled when a vacancy cannot be filled by election or appointment. The bill authorizes a board of county commissioners to contract with another county's coroner to exercise the powers and perform the functions of the coroner when a vacancy occurs because of the death or resignation of the coroner and it cannot be filled by election or appointment, or when no one

HB 473
Sales Tax Deduction and Credit on Private Label Credit Card Bad Debt
Sponsor: Rep. Amstutz
Status: House Ways and Means Committee
CCAO Position: Oppose
Key Provisions:
Permit vendors to deduct or apply for a refund of sales tax remitted for bad debts on private label credit cards. Permits certain bad debt deductions and refunds on cigarette excise taxes remitted by wholesalers.

runs for the office. Currently FIVE counties do not have a candidate for coroner this fall's election (Meigs, Monroe, Morgan, Pike, Vinton).

HB 240 would also do the following:

- Recognize that coroners include medical examiners;
- Change the qualifications for holding office as a coroner of a charter county;
- Require, under certain conditions, and to authorize, under other conditions, supplemental compensation for coroners who are forensic pathologists;
- Specify the disposition of a firearm when a person meets death under certain circumstances;
- Require the Department of Rehabilitation and Correction or the Department of Youth Services to pay the costs of an autopsy whenever the person who died was an inmate of a state correctional facility.

CCAO has worked closely with the State Coroners Association and its Executive Director David Corey, as well as Pickaway County Commissioner Brian Stewart on this legislation. CCAO would like to thank them for all their hard work and efforts on this bill. For additional information on HB 240, please contact CCAO staffer Brian Mead at bmead@ccao.org or 614-220-7982.

HB 240
Coroner's Law

Sponsors: Reps. Huffman & Johnson

CCAO Position: Interested Party

Status: State Senate and Local Government

Key Provisions:

- To define the legal residence of a dead person for purposes of the body's disposal;
- To recognize that coroners include medical examiners, and to change the qualifications for holding office as a coroner of a charter county;
- To require, under certain conditions, and to authorize, under other conditions, supplemental compensation for coroners who are forensic pathologists;
- To revise how the office of coroner is filled when a vacancy cannot be filled by election or appointment;
- To specify who pays for the autopsy of an inmate of a state correctional facility.

Senate holds another hearing for foster care extension bill

House Bill 50 had its third hearing in the Senate Finance Committee this week. The bill proposes to extend the age for which a person is eligible for foster care and adoption assistance payments to age twenty-one, to provide a ward's bill of rights and to require that a guardian receive the Ohio Guardianship Guide. Mary Wachtel of Public Children Services Association of Ohio (PCSAO) and Judge Jan Long on behalf of the Ohio Judicial Conference both testified as interested parties.

Wachtel testified that her group had previously testified in support of the bill and that they "support the intent of [HB50](#) to provide targeted services for youth until age 21 so more can transition into adulthood with solid support and positive outcomes."

However, she said they would oppose "any attempt to fund the state match for these services with existing state dollars" that are used for child protective services for those 0 to 18 years of age. "We encourage you to consider adding language to HB50 stating that this new program would be implemented by ODJFS only when it is fully funded by the Legislature through a new appropriation. This will help ensure that Ohio's public children services agencies can continue to

serve abused and neglected children ages birth to age 18 while extending services to youth who age out without permanency."

Sen. Tavares asked how much this would take with Wachtel responding approximately \$9 million/year in state funds.

Judge Long strayed from his prepared remarks, telling the committee that the Ohio Association of Probate Judges is not interested in derailing the foster care provisions of the bill but that they do have concerns with the guardianship changes. Referencing a Supreme Court study committee whose suggested changes were put into place not quite a year ago with the adoption of Rule 66, he said there have been monumental changes to guardianship which now includes six hours of training and a 183-page booklet covering "every detail necessary to fulfill the role of guardian. ... Requiring the courts to now pass out a separate guide in addition to the training and 183-page booklet provided by the Supreme Court is duplicative and could even create confusion for guardians, to the detriment of their wards, if the information in two booklets differ."

He went on to express judges' discomfort with having to provide a guidebook, saying there could be unintended consequences.

In answer to a question from Sen. Tavares, he said they would prefer the guidebook be permissive and not produced by the judicial conference. In his written remarks, he suggested the attorney general could make a guide available to the public.

The bill is scheduled for a fourth hearing next week. For more information please contact CCAO Policy Analyst Kate Neithammer at 614-220-7996 or kneithammer@ccao.org.

HB 50

Federal Foster Care

Sponsors: Reps. Pelanda & Grossman

CCAO Position: Monitoring

Status: Senate Finance Committee

Key Provisions:

- Extends the age for foster care and adoption payments from age 18 to 21 and requires the probate court to furnish appointed guardians with a guardianship guide.



Commissioner Metzger Testified on Medical Marijuana Bill and Sub-Bill Accepted. Tuscarawas County Commissioner Kerry Metzger and others from the Anti-Drug Coalition of Tuscarawas County expressed their opposition to House Bill 523 which would allow the dispensing of medical marijuana in limited circumstances. To review his [testimony](#), click here. Also, the Senate Government Oversight Committee adopted a sub-bill on Wednesday. You can review those changes in the comparison document prepared by the Ohio Legislative Service Commission. [Click here to see the comp document.](#)

Safety Capital Grants announced. 10 counties received funding from the first round of Safety Capital Grant awards made by the Local Government Innovation Council this week. A total of \$9.5 million was awarded to 43 different grantees. For more information see the related story in this week's [Counties Current](#).

Public Records Mediation Bill moving in the House. Senate President Keith Faber's public records bill, [SB 321](#), had its sponsor testimony in the House Government Accountability and Oversight Committee, after it had moved quickly through the Senate.

The bill would create a procedure within the Court of Claims to hear complaints alleging a denial of access to public records and to modify the circumstances under which a person who files a mandamus action seeking the release of public records may be awarded court costs and attorney's fees. It would also expand the infrastructure record exemption under Public Records Law.

For additional information on Open Meetings and/or Public Records legislation, please contact CCAO staffer Brian Mead at bmead@ccao.org or 614-220-7982.

Governor signs Agritourism Bill. Tuesday, Governor Kasich signed Senators Jones and Peterson's Agritourism Bill, [SB 75](#). The Act will limit the authority of a board of county commissioners or board of township trustees to prohibit agritourism through zoning. The bill basically says that agritourism is agriculture, and like agriculture, zoning restrictions cannot be placed on it.

CCAO worked with the Ohio Township Association to ensure agritourism sites will have parking at the location in case an emergency vehicle needs to access to the site. The act also establishes immunity in a civil action for agritourism providers. The act will be effective in 90 days, August 15, 2016.

For additional information on agriculture legislation, please contact CCAO staffer Brian Mead at bmead@ccao.org or 614-220-7982

Bills Introduced



- [SB 331](#)** ■ **PET STORES** ([Peterson, B.](#)) To regulate the sale of dogs from pet stores and dog retailers and to require the Director of Agriculture to license pet stores. Am. 956.01, 956.13, and 956.18 and to enact sections 956.051, 956.181, 956.19, 956.20, 956.21, 956.22, 956.23, and 956.99
- [SB 333](#)** ■ **ENVIRONMENTAL LAWS** ([Hite, C.](#)) To revise specified laws relating to environmental protection. Am. 1506.21, 1506.23, 3714.01, 3714.02, 3714.051, 3714.06, 3714.062, 3714.082, 3734.061, 3734.19, 3734.20, 3734.21, 3734.22, 3734.23, 3734.30, 5301.80, 6109.08, 6109.24, 6111.03, 6111.04, 6111.07, and 6111.30 and to enact sections 3714.022, 6109.25, 6111.33, and 6111.34
- [HB 567](#)** ■ **BROWNFIELDS REMEDIATION** ([Driehaus, D.](#)) To require that, if JobsOhio provides financial assistance for the cleanup and remediation of brownfields, at least 85% of the assistance must be in the form of grants. En. 187.14

- [HB 568](#)** ■ **EMPLOYEE DEFINITION** ([Phillips, D.](#), [Rogers, J.](#)) To create a generally uniform definition of employee for specified labor laws, to create a uniform standard to determine whether an individual performing services for an employer is an employee of that employer, and to regulate the payment of wages via payroll card. Am. 121.083, 1349.61, 4111.02, 4111.14, 4113.15, 4115.03, 4121.01, 4123.01, 4123.026, 4141.01, and 5747.01 and to enact sections 4113.83, 4113.84, 4113.85, 4113.86, 4113.87, 4113.88, 4175.01, 4175.02, 4175.03, 4175.04, 4175.05, 4175.06, 4175.07, 4175.08, 4175.09, 4175.091, 4175.10, 4175.11, 4175.12, 4175.13, 4175.14, 4175.15, 4175.16, 4175.17, 4175.18, and 4175.99.
- [HB 569](#)** ■ **BIAS CRIMES** ([Antonio, N.](#)) To rename the offense of ethnic intimidation to bias-motivated crime; to expand the scope of the offense to include specified crimes committed based on a person's actual or perceived ethnicity, gender, sexual orientation, gender identity, or disability; to require peace officer training on bias-motivated crime, and to require law enforcement agencies to submit data on bias-motivated crime to the Ohio Department of Public Safety and the Federal Bureau of Investigation and provide for the annual public release of the data. Am. 2927.12
- [HB 573](#)** ■ **DOG SALES** ([Scherer, G.](#)) To regulate the sale of dogs from pet stores and dog retailers and to require the Director of Agriculture to license pet stores. Am. 956.01, 956.13, and 956.18 and to enact sections 956.051, 956.181, 956.19, 956.20, 956.21, 956.22, 956.23, and 956.99.

Hearing Schedule



Tuesday, May 24

House Session, (Chr. [Rosenberger, C.](#), 466-3357), House Chamber, 11:00 am
If needed

Senate Session, (Chr. [Faber, K.](#), 466-4900), Senate Chamber, 1:30 pm

House Energy & Natural Resources ([Committee Record](#)), (Chr. [Landis, A.](#), 466-8035), Rm. 017, 1:30 pm or after session

- [SB 293](#)** ■ **NATURAL RESOURCES** ([Balderson, T.](#)) To revise specified laws relating to natural resources. --
3rd Hearing-All testimony-Possible amendments
- [HB 422](#)** ■ **OIL GAS LAW** ([O'Brien, S.](#), [Patterson, J.](#)) To require recording and notification of assignments of leases for real property for the placing of an injection well, to revise the procedures and requirements governing the application for and issuance of a permit for a well to inject brine and other waste substances from oil and gas operations, to establish an additional fee on the injection of those substances, to require a person conducting brine or other waste substances operations prior to January 1, 2014, to obtain a permit or order to do so, to establish requirements governing ground water monitoring related to that injection, and to make other revisions in the Oil and Gas Law. --**1st Hearing-Sponsor**
- [HB 214](#)** ■ **PIPING MATERIALS** ([Thompson, A.](#)) To restrict when a public authority may preference a particular type of piping material for certain public improvements. --**3rd Hearing-All testimony**

House Local Government ([Committee Record](#)), (Chr. [Anielski, M.](#), 644-6041), Rm. 113, 2:00 pm

- [HB 407](#)** ■ **BODY CAMERAS** ([Boyce, K.](#), [Grossman, C.](#)) To require law enforcement agencies that use body cameras to adopt written policies for operation of the cameras and to require agencies to make the adopted policies available to the public. --**6th Hearing-All testimony-Possible vote**

- [House Finance](#) ([Committee Record](#)), (Chr. [Smith, R.](#), 466-1366), Rm. 313, 3:00 pm  (Updated: 4:24 p.m., May 19, 2016)
- [HB 475](#)  **FILM TAX CREDITS** ([Schuring, K.](#)) To authorize motion picture companies to transfer the authority to claim refundable motion picture tax credits to other persons, to adjust how the credit is calculated, to increase the total amount of credits that may be awarded per year, to remove the limit on the maximum credit amount that may be awarded to a motion picture, and to create a job training program for resident film crew members. --**4th Hearing-All testimony-Possible amendments & vote**
- [HB 547](#)  **APPROPRIATIONS ADJUSTMENTS** ([Smith, R.](#)) To provide authorization and conditions for the operation of state programs and to make appropriations. --**4th Hearing-All testimony-Possible amendments & vote**
- [HB 573](#)  **DOG SALES** ([Scherer, G.](#)) To regulate the sale of dogs from pet stores and dog retailers and to require the Director of Agriculture to license pet stores. --**1st Hearing-Sponsor & proponent-Pending referral**

Wednesday, May 25

[Senate Ways & Means](#) ([Committee Record](#)), (Chr. [Peterson, B.](#), 466-8156), South Hearing Rm., 9:30 am

The following was added to the agenda:

- [HB 415](#)  **LINKED DEPOSITS** ([Schuring, K.](#)) To create the business linked deposit program, to permit credit unions to participate in that program, to permit credit unions to participate in the agricultural linked deposit program, and to make other changes to the linked deposit law. --**1st Hearing-Sponsor**
- [HB 466](#)  **TAX EXEMPTION** ([Smith, R.](#)) To specifically exempt digital advertising services from sales and use tax. --**3rd Hearing-All testimony-Possible amendments & vote**
- [HB 9](#)  **TAX EXPENDITURES** ([Boose, T.](#)) To create a Tax Expenditure Review Committee for the purpose of periodically reviewing existing and proposed tax expenditures. --**4th Hearing-All testimony-Possible amendments & vote**
- [HB 182](#)  **DEVELOPMENT ZONES** ([Schuring, K.](#)) To revise the law governing the creation and operation of joint economic development districts (JEDDs) and enterprise zones. --**5th Hearing-All testimony-Possible amendments & vote**
- [HB 390](#)  **TAX EXEMPTION** ([Schaffer, T.](#), [Retherford, W.](#)) To exempt the sale of natural gas by a municipal gas company from the sales and use tax. --**5th Hearing-All testimony-Possible amendments & vote**

[Senate Session](#), (Chr. [Faber, K.](#), 466-4900), Senate Chamber, 1:30 pm

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

Thursday, May 26

[Joint Medicaid Oversight Committee](#) ([Committee Record](#)), (Chr. [Burke, D.](#), 466-1731), Senate Finance Hearing Rm,

10:00 am  (Updated: 3:40 p.m., May 13, 2016)

Ohio's Alcohol and Drug Addiction Treatment System: Current State and Future Direction. Presentations by Dr. Mark Hurst, Medical Director, OMHAS; Lori Criss, Ohio Council of Behavioral Health Providers; Cheri Walter, Ohio Association of County Behavioral Health Authorities; M. Kathryn Spergel, Mental Health & Recovery for Licking and Knox Counties and Wendy Doolittle, McKinley Hall

[Senate Session](#), (Chr. [Faber, K.](#), 466-4900), Senate Chamber, 11:00 am

If needed

[House Session](#), (Chr. [Rosenberger, C.](#), 466-3357), House Chamber, 11:00 am

If needed. At the call of the chair.