May 22, 2015

CCAO asks Senate for 50% indigent defense reimbursement

CCAO’s budget priorities for the Senate include increasing reimbursement for indigent defense funding to at least 50% and maintaining current law relative to the state/county partnership in providing or arranging for adult protective services.

Indigent Defense
Tuscarawas County Commissioner Kerry Metzger appeared before the Senate Finance Subcommittee on Corrections to give testimony in support of increasing the reimbursement rate for the counties. Metzger, a former state representative and past president of CCAO, requested that the state renew its partnership with the counties in providing legal representation for indigent persons.

"Since 1979, the state has backed away from its original shared commitment with the counties and obligated the counties into carrying more than their 50% share of the burden to finance indigent defense," Metzger said. He noted that the House added to the budget an additional $12 million in each year of the biennium to provide for 50% reimbursement to the counties and urged the Senate to, at a minimum, maintain that level of funding.

Last week CCAO President Mike Halleck, in a letter to members, asked you, as he did for the House, to contact your State Senators to express the importance of increasing indigent defense reimbursement. We are hearing from senators and senate staff that they are hearing from you on this issue. We believe that your personal contact is extremely important. We appreciate your efforts and thank you for reaching out to your Senators on this key budget issue for CCAO.
**Other budget testimony**

The committee also received written testimony from Shelby County Commissioner Anthony Bornhorst, who requested the State match fund for Soil and Water Conservation Districts be increased in order to provide a true 1:1 state/local match.

CCAO’s position on priority health and human services-related items in the budget was shared with the Senate Finance Workforce Subcommittee, which has been tasked with vetting budget issues related to the job and family services system and workforce development. Testimony highlighted questions around the Administration’s proposed Comprehensive Case Management and Employment Program, the impact the acceleration of TPP reimbursements will have on critical human services functions, and CCAO’s priority ask of keeping current law relative to the state/county partnership in the delivery of adult protective services (which was recommended in the House-passed budget).

The Senate Finance Workforce Committee is led by Chairman Senator Bill Beagle (R-Tipp City) and Vice-Chair Sandra Williams (D-Cleveland). Other members include Senators Jay Hottinger, Frank LaRose, Tom Patton, Chris Widener and Kenny Yuko.

Separately, Clermont County Commissioner Bob Proud submitted testimony to the committee in his capacity as chairman of the Ohio Valley Regional Development Commission (OVRDC), a local arm of the Appalachian Regional Development Commission (ARC). Commissioner Proud’s testimony urged lawmakers to support appropriate funding and governance authority proposals for local development districts.

**Senate budget timeline**

Next week the various Finance Committee subcommittees will be making their reports to the full Finance Committee. The first round of proposed amendments submitted by the Senate members are due to the Finance Committee Chair’s office next Friday, May 29. A substitute bill is scheduled for release the week of June 8. The Senate expects to complete its work and pass its version of HB 64 during the week of June 15, leaving the rest of the month for the Conference Committee’s work and report, votes on that report and the Governor’s approval – all prior to July, the start of the state’s new fiscal year.

**County human services organizations advocate for programs in Senate**

This week, several county human services organizations continued advocacy around programs and funding in the Senate.

**Children services** – The Public Children Services Association of Ohio is advocating for an additional $20M per year in child welfare funding, with $8.8M/year being distributed via a flat $100,000 allocation to each county and the remainder being distributed via the state child protection allocation formula.
Adult protective and senior services – The Ohio Association of Area Agencies on Aging and the Ohio Coalition for Adult Protective Services are advocating for increases in the adult protective services line item and senior community services line item.

Public assistance and work programs – The JFS Directors Association is requesting changes to the proposed comprehensive case management and employment program as well as the elimination of proposed language that would enable the state to standardize county prevention, retention and contingency (PRC) programs. (See separate story.)

Child support enforcement – The Ohio CSEA Directors Association is requesting an additional $6.2M in state funds, which could draw down an additional $12.4M of federal funds, to increase collections and improve outcomes for families.

Behavioral health – The Ohio Association of County Behavioral Health Authorities is advocating for improvements in the proposed carve-in of behavioral health to Medicaid managed care and for funding to be restored to the community behavioral health system.

Developmental disabilities – The Ohio Association of County Board Serving People with Developmental Disabilities is weighing in on a historic budget for Ohio’s DD system, which makes large investments for the creation of new waivers in order to serve people in community-based settings. This and other proposed changes are driven in an effort to help move the state toward a more integrated system. The association is also advocating to ensure county boards remain whole in terms of the ability to provide services at the local level.

Comprehensive case management program conversations continue

Both chambers heard public testimony this week around how to best design a program that would provide person-centered case management to help individuals find and keep jobs that enable them to transition off of public assistance.

The Senate Finance Workforce Subcommittee received testimony from public and private stakeholders. Joel Potts with the Ohio JFS Directors Association highlighted suggestions to help ensure the Administration’s proposed Comprehensive Case Management and Employment Program is successful when implemented. Suggestions include meaningful timeframes, a targeted initial population of youth, and clarity around fiscal, technology, and performance measures. Other interested parties who testified include CareSource, a Medicaid managed care company, who requested that any programs or pilots designed “include the flexibility necessary to accommodate innovations from both the public and private sectors.”

Separately, the House Community and Family Advancement Committee heard proponent testimony on HB 196 (Amstutz, Derickson) which includes both a revised Comprehensive Case Management and Employment Program as well as an enhanced Ohio Healthier Buckeye program. (See last week’s Statehouse Report for more information on HB 196.)
Proponents who testified included Joel Potts with the Ohio JFS Directors Association, who testified broadly in support of these types of initiatives, as well as individuals and organizations who spoke to the success of the "Bridges out of Poverty" framework of social service delivery.

CCAO supports legislation to require online travel companies to pay sales and lodging taxes

CCAO provided testimony to the House Ways and Means Committee in support of legislation to require online travel companies - also known as hotel intermediaries - to collect and remit all applicable sales and use taxes and lodging taxes to state and local governments.

In his testimony Brad Cole, CCAO managing director of research, said that online travel companies typically collect sales and use taxes and lodging taxes on the wholesale price of the amount they pay to hotels whose rooms they rent rather than the retail price paid by the consumer. This practically means that millions of dollars in sales and lodging taxes are not being collected. The practice of charging on the wholesale price rather than the retail price is followed by such well-known companies as Expedia, Orbitz, Travelocity and Priceline, among others.

A three judge panel of the U.S. Court of Appeals for the Sixth Circuit in September, 2012 affirmed a lower court ruling that online travel companies do not owe lodging taxes on the mark-up they charge customers who book hotel rooms on their internet sites (Columbus, Ohio v. Hotels.com LP). The problem is that state tax laws and local ordinances and resolutions were written decades ago prior to the advent of internet commerce.

Cole noted in his testimony that HB 150 is written to address the issue of outdated state laws by requiring all online travel companies to:

- collect all applicable sales and use taxes,
- supply all customers with an invoice of the full amount paid including all taxes collected before the guest completes the guest's hotel stay, and
- clarify that all online travel companies are deemed to have "substantial nexus" with Ohio for purposes of collecting sales and lodging taxes.

In addition to CCAO, Representatives Cheryl Grossman (R-Grove City) and Gary Scherer (R-Circleville) provided sponsor testimony and fielded questions from the committee along with
representatives of the hotel industry who testified in support of the legislation. Hearings are expected to continue.

For additional information on this issue please contact CCAO Staffer Brad Cole at bcole@ccao.org.

**Agritourism bill expected to pass the House next week, still being debated in the Senate**

The House Agriculture & Rural Development Committee leaders on Tuesday morning passed [Substitute House Bill 80 - Agritourism](#) (Burkley, T.). It is expected to pass the full House next week. The substitute bill was worked out among interested parties representing the agricultural and local government communities including CCAO and the Ohio Township Association. The bill sponsor, Rep. Tony Burkley (R-Payne), thanked all parties for their help in shaping this piece of legislation.

Under the bill, agritourism is an agriculturally related educational, entertainment, historical, cultural or recreational activity, including you-pick operations or farm markets, conducted on a farm that allows or invites members of the general public to observe, participate in or enjoy that activity. An agritourism provider is a person who owns, operates, provides, or sponsors an agritourism activity or an employee of such a person who engages in or provides agritourism activities whether or not for a fee. A participant is an individual, other than an agritourism provider, who observes or participates in an agritourism activity.

The substitute adds identical language - currently in the Township Zoning Law - to the County Rural Zoning Law specifying a county does not have the power to prohibit use of land for agricultural purposes or construction of building or other structures used for vinting purposes.

The new version of the bill continues immunity from civil liability of a participant during an agritourism activity if harmed by a risk inherent to the activity; however, the language makes an agritourism provider liable in the event of criminal conduct, failure to post and maintain signs required under the bill or in cases where the agritourism provider has, or should have, actual knowledge of an existing dangerous condition. For more information on the changes made in the substitute bill, please click [here](#) for the comparison Document.

The Senate companion bill, [Senate Bill 75 - Agritourism](#) (Jones, S. & Peterson, R.) is still being heard in Senate Civil Justice Committee. For additional information on agriculture issues, please contact CCAO staffer Brian Mead at bmead@ccao.org or 614-220-7982.
Tax Expenditure Review Legislation Endorsed by CCAO. In a letter sent to members of the House Ways and Means Committee, CCAO Executive Director Suzanne Dulaney expressed support for HB 9 sponsored by Representative Terry Boos (R - Norwalk) which would create a Tax Expenditure Review Committee to periodically review existing and proposed tax expenditures. Tax expenditures are legislatively authorized exemptions to state taxes that are provided to certain industries and individuals by the legislature. According to the Department of Taxation, there are 129 such tax expenditures currently that cost the state approximately $8 billion a year in forgone tax revenue. The House Ways and Means Committee is expected to consider amendments to the bill before reporting the bill from committee.

2016 Presidential Primary May Move. Rep. Dovilla (R-Berea) delivered sponsor testimony in Senate State & Local Government Committee on the proposal (HB153) to move the March presidential primary election back one week. The delay will conform to the Republican National Committee's rules that will enable Ohio to award its delegates on a winner-take-all basis rather than a proportional allocation in the national convention, he said. "This proposal will increase the amount of clout the state will have in deciding who the presidential nominee is." Chairman LaRose asked whether the bill would have a disproportionate impact on one party or the other. "It does not have a negative impact on either party. There would be a negative impact on the Republican Party if the primary was not moved back," Rep. Dovilla said. Chairman LaRose said he intends to vote the bill out of committee in next week's hearing.

Kelley testifies on Open Data. Brian Kelley, chief information officer for Portage County, testified in support of Open Data legislation (HB130). Enactment could have a significant positive impact on citizens and businesses, he said. Many governments are already involved in open data movements, but said some will need a push from the legislature to make the change, Mr. Kelley said. It is important for the legislature to make sure governments use uniform charts of accounts to make sure data is consistent. Rep. Gerberry asked about the cost associated with making data available online. Mr. Kelley said there are companies that charge significant amounts to assist with the process, but said much of the process to move information online requires very little cost or manpower. HB 130 would specify requirements for posting public records online, would require the Auditor of State to adopt rules regarding a uniform accounting system for public offices, which they could choose to utilize, and establish the Local Government Information Exchange Grant Program. The bill is pending in House State Government Committee, and CCAO is an interested party.
Bills Introduced

**SB 166** **DRILLING PLANS (Gentile, L.)** To require the owner of a horizontal well to develop and implement an emergency response plan for the purpose of responding to emergencies at the surface location of the well and to specify what must be included in the plan and to whom and the manner in which it must be submitted. Am. 1509.39 and 1509.391

**HB 214** **PIPING MATERIALS (Thompson, A.)** To restrict when a public authority may preference a particular type of piping material for certain public improvements. Am. 153.75

**HB 215** **ANIMAL FIGHTS (Sears, B., Bishoff, H.)** To prohibit and establish an increased penalty for knowingly engaging in activities associated with cockfighting, bearbaiting, or pitting an animal against another. Am. 959.15 and 959.99

**HB 228** **DRONE USE (Cupp, R.)** To prohibit the commission of any of a list of specified offenses by using a drone or by directing or supervising another person's use of a drone. Am. 2981.01 and 2981.02 and to enact section 2917.48

Hearing Schedule

**Tuesday, May 26**

**Senate State & Local Government** (Committee Record), (Chr. LaRose, F., 466-4823), North Hearing Rm., 9:30 am

**SB 123** **TRAFFIC VIOLATIONS (Hughes, J.)** To allow emergency personnel in public safety vehicles to report traffic law violations under certain circumstances. --3rd Hearing-All testimony

Possible substitute & amendments

**HB 153** **PRESIDENTIAL PRIMARY DATE (Dovilla, M.)** To change the date on which presidential primary elections are held. --2nd Hearing-All testimony

Possible vote

**Senate Finance** (Committee Record), (Chr. Oelslager, S., 466-0626), Finance Hearing Rm., 10:00 am

**HB 64** **BIENNIAL BUDGET (Smith, R.)** Subcommittee reports presented by subcommittee chairs and vice chairs/ranking minority members

**House Ways & Means** (Committee Record), (Chr. McClain, J., 644-6265), Rm. 121, 1:30 pm

**HB 9** **TAX EXPENDITURES (Boose, T.)** To create a Tax Expenditure Review Committee for the purpose of periodically reviewing existing and proposed tax expenditures. --5th Hearing-All testimony

Possible amendments & vote

**HB 128** **TAX CREDITS (Sears, B., Amstutz, R.)** To authorize an income tax credit for donations to the permanent endowment fund of an eligible community foundation and to require the Director of Budget and Management to reimburse the Local Government Fund and the Public Library Fund for revenue lost because of the credit. --1st Hearing-Sponsor

**House Judiciary** (Committee Record), (Chr. Butler, J., 644-6008), Rm. 116, 3:30 pm

**HB 198** **HUMANE SOCIETIES (Hambley, S., Johnson, G.)** To abolish the humane society's authority to employ an attorney to prosecute certain violations of law dealing with animal cruelty or acts involving mistreatment or nonsupport of children. --1st Hearing-Sponsor

**Wednesday, May 27**

**House Economic & Workforce Development** (Committee Record), (Chr. Baker, N., 466-0961), Rm. 114, 9:00 am

**HB 182** **DEVELOPMENT ZONES (Schuring, K.)** To revise the law governing the creation and operation of joint economic development districts (JEDDs) and enterprise zones. --3rd Hearing-All
testimony

House Public Utilities (Committee Record), (Chr. Schaffer, T., 466-8100), Rm. 121, 10:00 am

HB 190  WIND SETBACKS (Burkley, T., Brown, T.) To permit counties to adopt resolutions establishing an alternative setback for wind farms and to extend by five years the deadlines for obtaining the qualified energy project tax exemption. --1st Hearing-Sponsor

Senate Transportation, Commerce & Labor (Committee Record), (Chr. Manning, G., 644-7613), North Hearing Rm., 10:15 am

HB 51  INDUSTRIAL COMMISSION BUDGET (Hackett, B.) To make appropriations for the Industrial Commission for the biennium beginning July 1, 2015 and ending June 30, 2017, and to provide authorization and conditions for the operations of Commission programs. --3rd Hearing-All testimony

HB 52  BWC BUDGET (Hackett, B.) To make changes to the Workers’ Compensation Law, to make appropriations for the Bureau of Workers’ Compensation for the biennium beginning July 1, 2015 and ending June 30, 2017, and to provide authorization and conditions for the operation of the Bureau's programs. --3rd Hearing-All testimony

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

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

House State Government (Committee Record), (Chr. Maag, R., 644-6023), Rm. 121, 2:00 pm or after session

HB 130  DATA OHIO BOARD (Hagan, C., Duffey, M.) To create the DataOhio Board, to specify requirements for posting public records online, to require the Auditor of State to adopt rules regarding a uniform accounting system for public offices, to establish an online catalog of public data at data.Ohio.gov, and to make an appropriation. --3rd Hearing-Opponent

House Community & Family Advancement Sub.: Minority Affairs (Committee Record), (Chr. Boyce, K., 466-5343), Rm. 114, 3:00 pm

HB 204  POLICE TRAINING (Derickson, T., Manning, N.) To prohibit the Ohio Peace Officer Training Commission from recommending and the Attorney General from adopting a rule limiting the number of hours of basic training required for peace officers and to generally require all persons newly appointed to a peace officer position to have received a high school diploma or certificate of high school equivalence. --2nd Hearing-All testimony-Pending referral

Thursday, May 28

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