



STATEHOUSE REPORT

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Senate brings out its version of the state budget bill

The Senate brought forward its first budget proposal ([HB 64](#)) on Tuesday in the form of a substitute bill. The Senate Finance Committee took four days of testimony on the proposal. In the meantime Senators were working on amendments they planned to offer to the budget bill as an "omnibus" amendment next Tuesday. Members' proposed amendments to the substitute bill were due on Thursday. After adopting the omnibus amendment, the Senate Finance Committee will then vote on reporting the bill for a Senate vote, which is currently anticipated for Wednesday, June 17. That date for a Senate floor vote should not jeopardize meeting the statutory deadline of enacting the budget by the end of June. Noting that the budget bill has to be done by July 1, it will be done by July 1, unless a resolution in the House/Senate conference committee can't be achieved.



Suzanne Dulaney
CCAO Executive
Director

CCAO Executive Director Suzanne Dulaney provided testimony on the measure early Tuesday before the full Senate Finance Committee. Her remarks focused on indigent defense, elected official compensation, and the JFS-related programs that continue to evolve - comprehensive case management and employment as well as prevention, retention and contingency.

Key Provisions contained in the Senate's substitute bill include:

Indigent Defense – The Senate proposal provides additional funding for capital cases (\$3.8 million) and the same overall amount of dollars for reimbursement for other cases as recommended by the House. In addition, the Senate establishes a new incentive structure for reimbursing counties based on the minimum hourly rate of compensation for assigned counsel. Specifically, the proposal provides that counties shall be reimbursed at 40 percent (which is what counties practically are receiving today), and if the county provides a minimum hourly rate

of compensation for assigned counsel in excess of \$50/hour, the reimbursement rate increases to 50 percent, plus, the county will receive an additional payment of 5 percent of the amount the county was reimbursed for assigned counsel.

Should all counties provide an hourly compensation rate at more than \$50/hour, we are concerned that the proposal is UNDERFUNDED by approximately \$7 million. The Ohio Public Defender is in the process of preparing a memo outlining the impact of the Senate language and the budget funding issues it presents.

APS – The Senate proposal retains current law (and House-passed language) that addressed CCAO's concerns (around counties being obligated to arrange for services beyond available funding).

Tax Provisions – Senate leaders announced a proposal to increase the severance tax may surface next week (followed by remarks from House leadership that the House would take up a separate severance tax bill in the future, not in the budget). In addition, the bill creates a new definition for determining whether a seller has a “substantial nexus” with Ohio and therefore would have to collect and remit sales tax. Plus, it subjects hotel intermediaries to state sales and use tax (Expedia, Hotels.com, etc.)

Election Administration – Adds \$12.75 million for e-poll books wherein the state pays or reimburses 85 percent of the cost; eliminates the February special election; and requires political subdivisions requesting a special election to pay 65 percent up front the cost for administering the special election.

Elected Official Compensation – Provides 5 percent raises a year for 4 years to judges, prosecutors, and sheriffs. CCAO along with other members of the Ohio Council of County Officials (OCCO) are advocating that all county elected officials be treated the same, and, thus, all should be included in the budget bill as a short term strategy, while supporting the long-term strategy of creating a constitutionally-established pay commission.

Workers' Compensation/PTSD - Adds provision similar to SB 5 that would allow PTSD claims absent of a co-occurring physical injury for first responders. Limits duration of compensation and medical benefits for one calendar year.

Medicaid - Makes several appropriation adjustments. Requires behavioral health to be integrated into Medicaid managed care by January 1, 2018. Removes the House provisions around the "Healthy Ohio" program and requires the administration to seek waivers for able-bodied individuals older than 21 and above 100% FPL for "innovative and value-based coverage" modeled on health savings accounts, premiums and co-pays.

JFS programs - Removes most of the House-added provisions around the "Healthier Buckeye" councils. Reinserts Administration's proposal around Comprehensive Case Management and

Employment Program as well as Prevention, Retention and Contingency Program. (These pieces will likely continue to evolve.)

Other Provisions Impacting County Government Identified Thus Far:

- Adds the source-separated recyclable amendment eliminating this specific type of flow control, which CCAO opposes.
- Requires half of the fees collected by county recorders for the Housing Trust Fund be retained by the county which collected the funds for the purpose of housing. CCAO's stance on this proposal is "interested party."
- Creates pilot project in 3 counties for community based correctional facilities.
- Requires additional peace officer training and implements key recommendations of the Community Police Relations Task Force. Funding is provided, in part; however, it is derived from the municipal share of the Local Government Fund.
- Enables certified local government building departments to issue building permits, conduct inspections, and conduct certain other admin actions related to park districts
- Eliminates the \$20 M local government safety capital grant program
- Requires county recorders to issue Veterans Identification Cards and directs fees revenue to the county recorders' technology fund, if such exists.
- Transfers most soil and water operations from Ohio Department of Natural Resources to the Ohio Department of Agriculture, along with some to Ohio EPA.
- Removes House changes requiring a review and update of 9-1-1 call standards and training.
- Expands the Abandoned Gas Station Cleanup Grant Program to include publicly owned lands that are owned by an organization that has entered into an agreement with a political subdivision.
- Provides free public transportation for veterans.
- Creates a committee to study the fiscal solvency of the Deputy Registrars.
- Sunsets the Ohio Constitutional Modernization on January 1, 2016.

CCAO testifies in support for SB 63 – Online Voter Registration

Cheryl Subler, CCAO managing director of policy, offered [testimony](#) before the Senate State Government Oversight & Reform Committee this week to support the implementation of online voter registration in Ohio and the provisions included in Senate Bill 63.

Subler noted CCAO's board of directors voted to support the legislation, adding that members were persuaded by the fact that online registration saves between 50 cents to \$2.34 per submission.

They board also trusts the Secretary of State's Office will build and maintain the online voter registration system, and the information submitted will be sent to counties in the same manner as the current online change of address system.

"Such assurances that the system will provide convenience to our citizens while being accurate, secure and not add to county election costs in any way went a great deal in making this an easy policy position for our members to support," she said.

For more information on this issue, contact Subler at csubler@ccao.org.



*Cheryl Subler
CCAO Managing
Director of Policy*

Historic preservation tax credit suspended by Senate version of budget

The Senate version of the state budget proposes to suspend the historic preservation tax credit effective July 1, 2015, and proposes to create a historic rehabilitation grant program operated by the Development Services Agency in SFY 2018. The budget bill states that the Development Services Director shall issue no "tax" certificate on or after July 1, 2015.

CCAO and other interested parties are concerned that several projects already approved for historic preservation tax credits may fail to proceed if the program is suspended without careful vetting of the implications of this proposed change prior to its adoption by the legislature. According to the Ohio Development Services Agency, the program has resulted in 244 projects to rehabilitate 320 historic buildings in 49 different Ohio communities. The program is projected to leverage more than \$3.4 billion in private redevelopment funding and federal tax credits directly through the rehabilitation projects.

According to the Ohio Development Services Agency, the program requires a cost benefit analysis/return on investment to be performed. Highlights of the cost benefit analysis include

- Return on investment is 6.7 to 1

- For every \$1 million in credits, the return is \$8 million in construction spending, \$32 million in operating impact, 83 construction jobs and 299 operations jobs.
- 82% of the buildings that used the historic tax credit were vacant before redevelopment.

CCAO plans to write a joint memo with the Ohio Municipal League seeking reconsideration of the amendment suspending the tax credit program prior to passage of the state budget. For additional information regarding this issue contact CCAO staffer Brad Cole at bcole@ccao.org

Commissioner John Bayliss voices concerns over source separated recycling amendment in budget

Commissioner John Bayliss voiced concerns before the Senate Finance Committee this week regarding an amendment that was inserted into the Senate version of the budget which would prevent solid waste districts from designating the facilities to which source separated recyclables could be sent.

In his [testimony](#), Commissioner Bayliss said, “CCAO is opposed to this amendment being incorporated in to the state budget, as we believe comprehensive solid waste management is a complex and interconnected policy that is worthy of stand-alone legislation.”

Regarding substantive concerns with the amendment, Commissioner Bayliss noted, “In addition to losing local control over an increasingly important part of the solid waste stream – source separated recyclables – which solid waste districts are legally responsible for managing, the amendment may adversely affect rural areas in particular because they have low population density and generally lack economies of scale to attract private service providers.” He added, “Explicitly prohibiting designations (for source separated recyclables) could make it difficult for smaller communities to craft solid waste and recycling solutions to address local needs.”

In addition to Commissioner Bayliss, Solid Waste Authority of Central Ohio (SWACO) Director Ty Marsh and Mike Greenberg, solid waste consultant and owner of GT Environmental also testified in opposition to the provision in state budget. Marsh’s testimony can be viewed [here](#). Greenberg’s testimony can be viewed [here](#).

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



**John Bayliss
Logan County
Commissioner**

Tuscarawas County Commissioner Metzger testifies in support of HB 198

Kerry Metzger [testified](#) in support of HB 198 before the House Judiciary Committee this week. The bill, sponsored by Representative Steve Hambley (R-Median) would remove the ability of humane societies to prosecute animal abuse charges without the oversight of the county or municipal prosecutor.

Humane societies currently have the authority under ORC 2931.18 to initiate and employ private counsel to prosecute certain violations of law dealing with cruelty to animals outside the purview of the prosecuting authorities. Furthermore, these attorneys are paid out of the county treasury. CCAO has for a number of years supported the elimination of this mandate.

CCAO does not believe that it is appropriate for a non-profit agency, whose board members are not subject to elected official oversight, to be permitted to continue to prosecute animal cruelty cases without county or municipal prosecutor oversight.



*Kerry Metzger
Tuscarawas County
Commissioner*

Hearing Schedule



Tuesday, June 16

Senate State & Local Government ([Committee Record](#)), (Chr. [LaRose, F.](#), 466-4823), North Hearing Rm., 9:45 am
[HB 239](#) ■ **CORRECTIONS FUNDS** ([Sears, B.](#)) To allow the Director of Budget and Management to transfer funds from the Adult and Juvenile Correctional Facilities Bond Retirement Fund to any fund created in the state treasury administered by the Department of Rehabilitation and Correction or the Department of Youth Services, to create the Community Programs Fund, and to authorize the conveyance of state owned real property. --**Informal hearing-Sponsor**

House Financial Institutions, Housing & Urban Development ([Committee Record](#)), (Chr. [Terhar, L.](#), 466-8258), Rm. 122, 10:00 am or after session

[HB 134](#) ■ **BLIGHTED PROPERTY FORECLOSURES** ([Grossman, C.](#), [Curtin, M.](#)) To establish summary actions to foreclose mortgages on vacant and abandoned residential properties, to expedite the foreclosure and transfer of unoccupied, blighted parcels, to make other changes relative to residential foreclosure actions, and to terminate certain provisions of this act on December 31, 2019, by repealing sections 3767.51, 3767.52, 3767.53, 3767.54, 3767.55, and 3767.56 of the Revised Code on that date. --**5th Hearing-All testimony-Possible vote**

House Insurance ([Committee Record](#)), (Chr. [Hackett, B.](#), 466-1470), Rm. 121, 10:00 am

• [HB 207](#) ■ 1st Hearing-Sponsor on bill from Reps. Ryan and Sears on certificates of insurance-Pending referral
WORKERS COMPENSATION ([Henne, M.](#), [McColley, R.](#)) To allow a state fund employer to have a workers' compensation claim that is likely to be subrogated by a third party paid from the surplus fund account in the state insurance fund rather than charged to the employer's experience --**2nd Hearing-Proponent**

[HB 250](#) ■ **MEDICAID DRUGS** ([Sprague, R.](#), [Driehaus, D.](#)) Regarding Medicaid pharmacy utilization management programs and prior authorization requirements for certain opioids. --**1st Hearing-Sponsor**

[HB 251](#) ■ **MEDICAID BEHAVIORAL CARE** ([Sprague, R.](#), [Driehaus, D.](#)) To establish certain requirements regarding the Medicaid program's coverage of community behavioral health services. --**1st Hearing-Sponsor**

House Local Government ([Committee Record](#)), (Chr. [Anielski, M.](#), 644-6041), Rm. 018, 10:00 am
[HB 210](#) ■ **GOVERNMENT ACCOUNTS** ([Green, D.](#)) Regarding certain accounts of county agencies and county elected officials. --**1st Hearing-Sponsor**

[HB 45](#) ■ **HUMANE AGENTS** ([Gerberry, R.](#)) To require an individual to file proof of successful completion of training with the county recorder prior to being appointed as a humane society agent and to require the revocation or suspension of an appointment under certain circumstances. --**1st Hearing-Sponsor**

[HCR 7](#) ■ **MUNICIPAL BONDS** ([Sprague, R.](#)) To urge the President of the United States to preserve the tax-exempt status of municipal bonds. --**3rd Hearing-All testimony-Possible vote**

House Agriculture & Rural Development ([Committee Record](#)), (Chr. [Hill, B.](#), 644-6014), Rm. 116, 11:00 am
[HB 60](#) ■ **COMPANION ANIMAL ABUSE** ([Hall, D.](#), [Patmon, B.](#)) To revise provisions and penalties regarding treatment of companion animals, to revise the definition of "companion animal" in the Offenses Relating to Domestic Animals Law, and to provide a state collaborative effort to assist veterinarians in identifying clients who may use their animals to secure opioids for abuse. --**4th Hearing-All testimony-Possible vote**

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

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

[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. --**3rd Hearing-All testimony**

[HB 176](#) ■ **GASEOUS FUEL VEHICLES** ([Hall, D.](#), [O'Brien, S.](#)) To create the Gaseous Fuel Vehicle Conversion Program, to allow a credit against the income or commercial activity tax for the purchase or conversion of an alternative fuel vehicle, to reduce the amount of sales tax due on the purchase or lease of a qualifying electric vehicle by up to \$500, to apply the motor fuel tax to the distribution or sale of compressed natural gas, to authorize a temporary, partial motor fuel tax exemption for sales of compressed natural gas used as motor fuel, and to make an appropriation. --**3rd Hearing-All testimony**

[HB 166](#) ■ **TAX LAWS** ([Green, D.](#)) To extend the deadline for filing an application for the homestead exemption or 2 1/2% property tax rollback to the end of the tax year, to require that auditors certify Local Government Fund allocations to subdivisions by regular or electronic, rather than certified mail, and to repeal laws requiring county auditors to issue permits for traveling shows, issue licenses for new merchandise public auctions, certify the annual state tax interest rate to local courts, and provide certain certifications related to the repealed personal property tax. --**2nd Hearing-Proponent**

Wednesday, June 17

House Health & Aging ([Committee Record](#)), (Chr. [Gonzales, A.](#), 466-4847), Rm. 116, 9:30 am
[HB 217](#) ■ **MENTAL HEALTH EXAMINATIONS** ([Ruhl, M.](#)) To authorize certain advanced practice registered nurses to have a person involuntarily transported to a hospital for a mental health examination. --**1st Hearing-Sponsor**

[HB 188](#) ■ **PHARMACY** ([Manning, N.](#), [Huffman, S.](#)) To revise the laws governing pharmacist consult agreements and the laws governing the circumstances under which a pharmacist may dispense or sell a drug without a prescription. --**4th Hearing-All testimony-Possible vote**

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. --**4th Hearing-All**

testimony-Possible amendments & vote

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. --**4th 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
2014)

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, to establish the Local Government Information Exchange Grant Program, and to make an appropriation.--**5th Hearing-All testimony-Possible amendment & vote**

HB 48 ■

FIREARMS ([Maag, R.](#)) To extend to handguns affirmative defenses to a charge of carrying a concealed weapon or having or transporting a firearm in a motor vehicle, and to modify the prohibition against carrying a concealed handgun onto institutions of higher education, places of worship, day-care facilities, aircraft, certain government facilities, public areas of airport terminals and police stations, and school safety zones. --**4th Hearing-All testimony-Possible vote**

Thursday, June 18

Senate Rules & Reference ([Committee Record](#)), (Chr. [Faber, K.](#), 466-7584), Majority Conf. Rm., 10:00 am

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

House Session, (Chr. [Rosenberger, C.](#), 466-3357), House Chamber, 1:00 pm

- If needed