



# STATEHOUSE REPORT

*Published by: County Commissioners Association of Ohio*

209 East State Street • Columbus, Ohio 43215-4309  
 Phone: 614-221-5627 • Fax: 614-221-6986 • www.ccao.org

**August 18, 2017**

## Senate returns to session for veto overrides

The Senate is expected to take up the override of some of Governor Kasich's budget vetoes **Tuesday, Aug. 22, at 1:30 p.m.** We are hopeful that the amendment that provides partial revenue replacement for the Medicaid MCO sales tax will be included.

As you know, the amendment would put a mechanism in place to help counties and transit authorities replace some of the revenue they will lose once the MCO sales tax is eliminated. If the override of the MCO issue does go through, there are several steps that the administration will need to take to set this new mechanism in place.

### Next steps are as follows:

Not later than October 1, 2017, the state will informally engage the federal Centers for Medicare and Medicaid Services (CMS) to ask if Ohio's Medicaid health insuring corporation (MHIC) franchise fee can be increased to allow additional revenue to flow to counties and transit authorities.

CMS says YES	CMS says NO
If CMS tells Ohio that this is an acceptable option, the state will ask for formal approval to increase its franchise fee.	The state's existing waiver, which allows the franchise fee at the current rate, will remain in place.
If formal approval is granted, the fee would be increased to bring in an additional \$207 M to be designated for counties and transit authorities, with the exception as explained below.	No new revenue would be generated for counties and transit authorities via the MHIC.
The increase would go into effect on July 1, 2018 or the earliest date permitted by CMS and would cease on July 1, 2024.	

It's important to note that should the franchise fee increase get approval, federal law requires any payments that go towards Medicaid match be reimbursed to the Medicaid managed care organizations. That reimbursement payment will come from the money designated for counties and transit authorities. This means that locals will receive 68 - 69% of what they received in the past, rather than complete replacement.

During the interim, the transition aid that was included in the budget will be released to counties and transit authorities. You can see your county's amount of aid [here](#). These dollars will be distributed in two payments – 50 percent by November 1, 2017 and 50 percent on or after January 1, 2018.

Thank you to everyone who has continued to reach out to their senators on this important issue. If you have not touched base with your member(s) recently, please talk to them before Tuesday and ask for their vote to override the Governor's veto of the MCO sales tax amendment.

Questions can be directed to CCAO policy staff at 614-221-5627.

## Requiring ongoing asset management efforts by public water systems

All public water systems in Ohio will be required to implement an asset management program by October 1, 2018, with the passage of [Senate Bill 2](#) earlier this year.

The legislation was aimed at improving water quality in Ohio and addressing concerns with certain management problems some public waters systems have had due to deferred maintenance, lack of management oversight and inadequate historical records of water lines or maps of service areas.



[S.B. 2](#) requires public water systems to demonstrate ongoing technical, financial and managerial capability by implementing an asset management program. Specifically, such programs must include:

- An inventory and evaluation of all assets;
- Operation and maintenance programs;
- An emergency preparedness and contingency planning programs;
- Criteria and timelines for infrastructure rehabilitation and replacement;
- Approved capacity projections and capital improvement planning; and
- A long-term funding strategy to support asset management program implementation.

Ohio EPA is to make available a template for small public water systems to prepare an asset management program as well as information about sources of funding available to assist public water systems in preparing a program.

If you would like additional information, please contact CCAO Staffer Cheryl Subler at [csubler@ccao.org](mailto:csubler@ccao.org) or at 614-220-7980.

## Soil and water district match rates released

The soil and water district state match rates for this state fiscal year have been released, and you can see your county rate by clicking [here](#).

As you know, the state provides matching funding, in whole or in part, to certain local dollars garnered by Ohio's 88 soil and water conservation districts (SWCD) for operations, staffing and direct technical assistance to landowners for conservation practice implementation.

The SWCDs receive both state GRF money as well as money generated from scrap tire fees, municipal solid waste fees as well as construction & demolition debris fees. Overall, soil and water districts are down nearly \$1 million in state GRF dollars; however, the fee revenue could cause that number to be lessened by \$280,000 depending on performance.

While the statutory match goal is 1:1, the state fiscal year 2018 average rate is 70 percent. Again, you can review the [chart](#) (same link as above) to see how your county's dollars will leverage state money.

If you have questions, please contact CCAO Staffer Cheryl Subler at [csubler@ccao.org](mailto:csubler@ccao.org) or at 614-220-7980.



## Expanding allowable uses for county credit cards

As reported earlier in the CCAO *Statehouse Report*, Representatives Schuring and Greenspan are working to advance legislation that would require certain political subdivisions and entities to adopt credit card usage policies for their employees and officials, detailing allowable uses, the number of cards, who can use them, credit limits and reissue periods.

[House Bill 312](#) largely excluded counties from the bill since their enabling statute includes a number of safe guards; however, CCAO staff has had discussions with the Auditor of State's Office, who initially proposed the measure, along with the bill sponsors to modernize how counties use credit cards to procure goods over the internet, in accordance with a locally adopted policy.

Those discussions have been very positive and productive, and CCAO staff is looking for feedback on additional categories of allowable uses for county credit cards. Current law authorizes the following:

- Food expenses;
- Transportation expenses;
- Gasoline and oil expenses;
- Motor vehicle repair and maintenance expenses;
- Telephone expenses;
- Lodging expenses;
- Internet expenses;
- Webinar expenses;
- In the case of a public children services agency, expenses for children for whom the agency is providing temporary emergency care, children in temporary or permanent custody of the agency, and children in a planned permanent living arrangement; and
- Expenses for purchases of automatic or electronic data processing or record-keeping equipment, software, or services, with certain limitations.

CCAO staff has heard from some county officials that they would like the following categories of expenses added to this list of permissible uses:

- Office supplies;
- Employment services;
- Building and maintenance supplies;
- Educational programs and materials; and
- Electronic subscriptions.

If you have additional recommendations about the types of expenses that should be allowed, please contact CCAO Staffers Brad Cole or Cheryl Subler at 614-221-5627 or at [bcole@ccao.org](mailto:bcole@ccao.org) or at [csubler@ccao.org](mailto:csubler@ccao.org).

## Bills Introduced



### SB 180

#### **FIREARM LAWS** ([UECKER, J.](#), [HOTTINGER, J.](#))

To assign to the prosecution the burden of disproving a self-defense or related claim, to expand the locations at which a person has no duty to retreat before using force under both civil and criminal law, and to modify the Concealed Handgun Licensing Law regarding a licensee's duty to keep the licensee's hands in plain sight, the penalties for illegally carrying a concealed firearm or improperly handling firearms in a motor vehicle, and the posting of warning signs regarding the possession of weapons on specified premises.

### SB 181

#### **GARBAGE FEES** ([O'BRIEN, S.](#))

To authorize all municipal corporations that charge a garbage collection fee to certify unpaid amounts to the county auditor, who must enter the fees on the property tax list to be collected in the same manner as real property taxes.

### HB 320

#### **STATE FINANCES** ([HAGAN, C.](#), [ROEGNER, K.](#))

To create the Long-range Financial Outlook Council for the purpose of informing the public and the General Assembly about the financial status of the state by studying financial and other conditions and issuing an annual long-range financial outlook report.

## Hearing Schedule



## TUESDAY, AUGUST 22

### Senate Session

#### **Veto override votes**

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