Counties will seek capital bill funding for voting machines

Development of the State Fiscal Year 2017-2018 capital bill is underway, and CCAO and the Ohio Association of Election Officials (OAEO) are beginning our push to have the capital bill provide funding for new voting equipment.

Preparing for the bricks-and-mortar legislation was the subject of a planning memorandum recently distributed to state agencies and institutions by the Office of Budget and Management. The guidance bulletin posted last week by OBM provides further details and spells out a schedule that includes a Nov. 16 deadline for agencies to submit project requests and an early 2016 introduction of the bill, which historically has started in the House.

CCAO and OAEO are requesting a meeting with Secretary of State Husted to ask him to include in his request to the governor for capital funding a program similar to the one followed for the acquisition of electronic pollbooks that was included in HB 64, the state biennial budget bill.

We encourage you to contact your state legislators now to inform them of the need to replace the aging voting equipment which is reaching the end of its useful life, the state-county partnership in the administration of elections, and the importance of obtaining state funding to support the counties’ ability to acquire the new voting technology. Please also remind your legislators of the continuing expenses counties must incur to insure the proper functioning of this equipment which include maintenance contracts, a climate-controlled environment for their storage, and proper technology upgrades.

OMB Director Keen noted that it was too early to tell if the facilities budget will exceed the latest version, which included about $2.1 billion in debt backed by the state’s general revenue and another $300 million in mostly cash from non-GRF sources. However, there was no GRF in the past capital bill and the Director doesn’t expect there to be any GRF in the upcoming capital bill either.

The capital bill is funded primarily with bonds that are issued for the specific purposes for which the state is allowed to issue debt. The debt load increase from the capital bill will also have to fit within the 5% limit that voters added to the Ohio Constitution in 1999. Prior to the last capital bill the state’s GRF-backed debt load was at 3.77%. The current debt level based on the
certification for the most recent bond sale was 3.24%. Keen also indicated that just because the state has the capacity to issue debt, that doesn't mean you would want to use it all. When funding capital needs the state needs to be mindful of the fact that there's added costs to the operating budget because of debt service over the 20-year period of the bonds that the state sells.

"We're going to try to be restrained in the size of this capital bill because...projects funded through bonds create debt service which translates into spending in the operating bill," Keen said.

For additional information or questions, please contact CCAO staffers Cheryl Subler at csubler@ccao.org or (614) 220-7980 or John Leutz at jleutz@ccao.org or (614) 220-7994.

**Energy Mandate Study Committee Issues Final Report**

The Energy Mandates Study Committee released its final report this week calling for Ohio to continue its freeze on energy mandates. Citing ongoing uncertainty over the Obama Administration's Clean Power Plan as the main justification to postpone the resumption of the energy mandates.

The report recommends shifting from energy mandates to "energy incentives." Such incentives could include allowing providers aiming to build net metered projects to negotiate at a lower price, expanding the Property Assessed Clean Energy program, incentivizing the use of smart thermostats, and investigating a market-based certification instrument for energy efficiency.

Other recommendations from the report:

- Expedite the process for PUCO's review of new utility plans for energy efficiency.
- Investigate and ensure maximum credit for all Ohio's energy initiatives.
- Declare that the General Assembly, and not the OEPA, retains authority regarding the state's energy policy and dispatch protocols.

Co-Chairs Sen. Troy Balderson (R-Zanesville) and Rep Kristina Roegner (R-Hudson) said in interviews with Gongwer News that continuing the freeze is the best course given uncertainty at the federal level. "This gives us a little bit more time gap wise to continue working on legislation," Sen. Balderson said of the freeze. In terms of introducing legislation to comply with those recommendations, Sen. Balderson said, "We have not gotten that far yet. So stay tuned, I guess."

Ohio Coal Association President Christian Palich applauded the report in a statement. "Ohio ratepayers and coal families applaud the Energy Mandates Study Committee's recommendation to maintain a freeze on energy standards." Mr. Palich said. "In these uncertain times, with the Obama Administration's radically irresponsible energy agenda, Ohio benefits from not having state government pick winners and losers."
Not all are happy with the committee's report. Environmental, agriculture, business groups, and even Governor Kasich, have been swift to criticize the report's recommendations. Kasich spokesman Joe Andrews said the governor disagrees with the committee, calling the continuance of that freeze unacceptable. "A continued freeze of Ohio's energy standards is unacceptable and we stand willing to work with the Ohio General Assembly to craft a bill that supports a diverse mix of reliable, low-cost energy sources while preserving the gains we have made in the state's economy," Andrews said.

Democrat members of the study committee Rep. Michael Stinziano (D-Columbus) and fellow committee member Rep. Jack Cera (D-Bellaire) issued a minority report earlier this month calling for the benchmarks to be restored - criticized the report. "By suggesting that Ohio indefinitely continue S.B. 310's freeze on Ohio's renewable energy, energy efficiency, and peak demand reduction standards, the majority members of the EMSC have looked past expert testimony from witnesses such as the Ohio Consumers' Counsel, the Electricity Markets and Policy Group at the Lawrence Berkley National Laboratory, and the American Wind Energy Association who attested to the positive impacts these standards had on the state until frozen by S.B. 310," Rep. Stinziano said.

Cuyahoga County Director of Sustainability Mike Foley called the freeze "irrational and harmful" and said that if left intact the standards would carry Ohio to compliance with the CPP. "A continued state freeze will hurt renewable and energy efficiency development in Ohio at the exact moment in history where we should be doing everything in our power to encourage a cleaner energy grid," Mr. Foley said.

Van Wert Area Chamber of Commerce President and CEO Susan Munroe in a statement said the recommendations, if enacted, would cost the state a "staggering" loss of economic opportunity. "We want our elected officials to know that local chambers of commerce, particularly those of us in the wind corridor, know how important these investments are to rural Ohio communities," Ms. Munroe said.

Ms. Munroe cited a current potential project -- the Long Prairie Wind Farm in Van Wert -- could deliver $800-$900 million to the county but may now be in jeopardy. "That's more than $1 billion in prospective investments in our county from renewable energy," she said. "Let's not use this staggering economic development and job growth opportunity to another state due to legislative uncertainty. We look to our governor and policymakers to protect these investments for us."

The Ohio Farm Bureau Federation "strongly disagrees" with the report. "Farm Bureau policy calls for the state to have a diversified energy portfolio that provides consumers with a variety of energy sources," OFBF Executive Vice President Jack Fisher said. "We also believe consumers should have access to energy efficiency programs. This report fails to achieve these goals. Ohio Farm Bureau remains open to discussing alternative methods to improving Ohio's advanced energy policies."

All testimony given to the committee is available on the committee's website. For additional information, please contact CCAO staffer Brian Mead at bmead@ccao.org or 614-220-7982.
Joint Transportation Task Force takes testimony on higher speed limits in rural areas and dual license plate requirement

The Joint Transportation Task Force co-chaired by Senator Gayle Manning (R-North Ridgeville) and Representative Cheryl Grossman (R-Grove City) heard testimony from an ODOT legislative liaison and the Ohio Highway Patrol about challenges associated with raising the speed limit on rural interstates from 70 to 75 miles per hour. The other issue under discussion by the task force is the current two license plate system.

The task force was created by an amendment to the transportation budget (HB 53) which creates a six member committee to study and issue a report on methods for increasing the speed on rural highways and freeways in Ohio and study methods for saving money on license plates, including specifically a single license plate requirement. In addition to the two co-chairs mentioned above, the task force includes Representatives Denise Driehaus (D-Cincinnati) and Bill Reineke (R-Tiffin) and Senators Kevin Bacon (R-Minerva Park) and Capri Cafaro (D-Hubbard).

ODOT Deputy Director of Legislative Affairs Johann Klein told the committee that increasing the rural interstate speed limit would necessitate the recalculation of traffic signals and prompt a need to reevaluate the state’s expressways and freeways to ensure their safety at that rate of travel. Klein said that when Ohio increased its speed limit from 65 to 70 miles per hour Ohio experienced a 4% increase in fatal crashes, a 26% increase in injury crashes, and a 19% increase in property crashes.

Witnesses from the Ohio Department of Public Safety and the Ohio Highway Patrol both offered testimony supportive of retaining the current system of dual front and back license plates. ODPS legislative liaison Andy Bowsher told the committee that the potential cost savings to the state and to consumers of going from two to one license plate are minimal for the state and the public. The Ohio Highway Patrol witness said that eliminating one of the license plates would compromise public safety by making it harder for the patrol to apprehend law breakers. The Patrol said that in many cases an officer will pull over a vehicle to warn them about a front plate violation only to find drugs, a stolen vehicle, or another more serious problem.

Both co-chairs expect to have the task force committee report prepared well in advance of a December 15 deadline for submission to the leadership of the Ohio General Assembly. Once this report is submitted, the task force must reconvene to take testimony to study the effectiveness of the Ohio motor fuel tax in meeting funding needs. The task force is also charged with studying alternative methods for funding the construction and maintenance of Ohio’s roadways and infrastructure. This second report will be due December 15, 2016.

For more information regarding this story, please contact Brad Cole of the CCAO staff at bcole@ccao.org

House seats two new members

On Thursday, the Ohio House seated two new members to fill vacancies in the 89th and 59th Districts.
Republicans selected Ottawa County Commissioner Steve Arndt to represent the 89th House District seat which comprises all of Ottawa and Erie Counties.

Steve served nearly 27 years as an Ottawa County commissioner. Before that he spent nine years on Elmore Village Council and has owned and operated small businesses since 1976, including Ohio Industrial Gear and Drive Components. Arndt replaces Steve Kraus, who, by law, was automatically removed from the House when he was convicted of felony theft for taking antiques from a vacant Danbury Township home without permission.

“He clearly has the seal of voters’ approval from the district,” said Rep. Tim Brown (R., Bowling Green), who served on the committee that screened 14 applicants for the seat.

“I believe [Mr. Arndt’s] lifelong commitment to public service and to Ottawa County will be an asset to the Ohio House and the 89th district,” said Rep. Kirk Schuring (R., Canton), chairman of the screening committee.

In his initial remarks to the House Arndt said that “Nothing trumps the health, safety, and welfare of constituents. That is something that, as an elected official, you always hold near and dear to your heart. One of the things I really want to be able to participate in with this body is strengthening education, strengthening local communities and local governments to develop the kind of environment that increases jobs and builds for families what, I believe, is their right and opportunity to have the best quality of life possible.”

Democrats, meanwhile, chose to return former congressman John Boccieri to the chamber to represent the 59th District which comprises most of Mahoning County except for the city of Youngstown.

Boccieri is a former congressman and state legislator who served in the Ohio House from 2001 to 2006. He then spent two years in the state Senate before being elected to the 16th Congressional District in 2008. He lost a re-election bid to Congress in 2010. Boccieri replaces Ron Gerberry, who resigned from the chamber just before pleading guilty to a misdemeanor campaign finance charge in August.

“I look forward to working with each one of you to find out our differences, our similarities and ways we can come together to find middle ground,” Boccieri said on the House floor.

**Bills Introduced**

**SB 216** **TAX EXEMPTION** *(Burke, D., Gardner, R.)* To exempt the first $500 of prescription eyeglasses, contact lenses, and other optical aids sold by licensed dispensers from sales and use tax.

**SB 217** **MILITARY SERVICE** *(Eklund, J.)* To permit exemptions for local officials from continuing education requirements of the office for an illness or disability or for out-of-state military
HB 340  **INNOVATION COUNCIL (Amstutz, R.)** To extend the operation of the Local Government Innovation Council until December 31, 2019, and to declare an emergency. Am. 189.10

HB 342  **WINERY PERMITS (Young, R.)** To create the Ohio Farm Winery Permit. Am. 4301.12, 4301.13, 4301.24, 4301.30, 4301.355, 4301.43, 4301.432, 4301.47, 4301.62, 4301.82, 4301.83, 4303.021, 4303.07, 4303.10, 4303.182, 4303.204, 4303.33, 4303.333, and 5709.55 and to enact section 4303.031

HB 343  **TAX EXEMPTION (Young, R., Romanchuk, M.)** To exempt employment services and employment placement services from sales and use tax. Am. 5739.01, 5739.02, and 5741.01

HB 344  **ADOPTION FILES (Pelanda, D.)** Regarding the maintenance of and access to adoption files and social and medical histories. Am. 3107.09, 3107.17, 3107.38, 3107.39, 3705.12, and 3705.126 and to enact section 3107.39

HCR 27  **LAKE ERIE (Patterson, J., Hill, B.)** To commend Ohio’s agriculture community, educational institutions and environmental advocacy organizations on their efforts to improve the water quality of Lake Erie and its tributaries and to encourage them as well as state, county, and municipal leaders to continue to work towards continued water quality improvement.

**Hearing Schedule**

**Tuesday, October 6**

HB 279  **VEHICLE INSURANCE (Henne, M.)** To generally prohibit individuals who do not maintain statutory minimum levels of automobile insurance from collecting noneconomic damages for harm sustained in a motor vehicle accident. --1st Hearing-Sponsor

HB 275  **VISION CARE (Schuring, K.)** Regarding limitations imposed by health insurers on vision care services. --1st Hearing-Sponsor

HB 301  **HEALTH CARE (Henne, M., Huffman, S.)** To require the Department of Administrative Services to make a high deductible health care plan available to state employees and state elected officials. --1st Hearing-Sponsor

HB 207  **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. --3rd Hearing-Proponent-Possible substitute

**House Government Accountability & Oversight (Committee Record), (Chr. Brown, T., 466-8104), Rm. 114, 1:30 pm**

HB 191  **CLIENT ASSESSMENTS (Pelanda, D.)** Regarding the assessment of a client who has been referred to a community mental health or addiction services provider for treatment related to probation for a criminal offense. --2nd Hearing-Proponent

HB 233  **REDEVELOPMENT DISTRICTS (Schuring, K.)** To authorize municipal corporations to create downtown redevelopment districts and innovation districts for the purposes of promoting the rehabilitation of historic buildings, creating jobs, encouraging economic development in commercial and mixed-use areas, and supporting grants and loans to technology-oriented and other businesses. --3rd Hearing-All testimony

**Wednesday, October 7**

HB 230  **CHEMICAL DEPENDENCY (Sprague, R.)** Regarding the practices of chemical dependency counseling and prevention services. --2nd Hearing-Proponent
**HB 248  MEDICAID DRUG COVERAGE** (Sprague, R., Antonio, N.) To prohibit certain health care plans and the Medicaid program from denying coverage for opioid analgesic drugs with abuse-deterrent technology based solely on cost. --2nd Hearing-Proponent

**Senate Rules & Reference** (Committee Record), (Chr. Faber, K., 466-7584), Majority Conf. Rm., 11:00 am

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

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

**Senate Civil Justice** (Committee Record), (Chr. Bacon, K., 466-8064), Finance Hearing Rm., 2:30 pm or after session

**SB 201  NUISANCE LAW** (Hughes, J.) To expand nuisance law to apply to any real property, including vacant land, on which an offense of violence has occurred or is occurring. --2nd Hearing-Proponent

**SB 180  EMPLOYMENT STATUS** (Uecker, J.) To prohibit an employer from discharging or otherwise discriminating against a person who exercises a constitutional or statutory right within the person’s private real property or motor vehicle. --2nd Hearing-Proponent