December 15, 2017

House Bill 69 passes with key county provisions

Wednesday marked the last day of the legislative session for 2017, and there was a flurry of activity to behold. House Bill 69 was passed out of Senate committee and off both the Senate floor and the House floor in just one day. The bill ended up including two important county issues:

The Senate proposal to address the loss of Medicaid MCO revenue to counties and transit authorities.

After much debate and discussion, both chambers and the Administration agreed to the proposal that would give counties and transit authorities an additional $50 million in January and up to $30 million in August if state revenues do better than expected. The funds will be distributed based on what each county was receiving in MCO sales tax. You can look at the payment amounts by county here. CCAO issued the following statement:

“We appreciate Sen Dolan’s efforts along with leaders in the Senate, House and the Administration. Today’s actions will result in additional funds for counties and transit authorities that will help them transition in the short term from the $209 million annual loss in Medicaid Managed Care Organization sales tax revenue.

The loss of this revenue stream follows other cuts that counties have experienced due to tax policy changes and reductions in state revenue sharing with local governments. It is compounded by the increased budgetary pressures created by the opiate epidemic. We look forward to ongoing conversations on how local services are provided in the coming years with the loss of this revenue stream.”

In this week’s edition:

HB 69 includes MCO and sales tax increment provisions

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Bills to watch
A tweak to the sales tax increment change that was included in the state budget bill.

The provision in the state budget bill, which has a delayed implementation date of July 1, 2018, changed the increment that counties can use to levy permissive sales tax from 0.25 to 0.10 percent. This created a challenge for counties who want to renew a levy at 0.25 because that increment will no longer be authorized. Also, any county or transit authority that is currently at 0.25, 0.75, or 1.25 would not be able to access the final increment of .05 percent once the language goes into effect.

HB 69 reinstated the former increment of 0.25 so that counties now have the flexibility to use either 0.25 or 0.10 percent.

If you have questions please contact CCAO policy staff Brad Cole or Cheryl Subler at 614-221-5627.

Commissioner Mack testifies on broadband bill

On Tuesday the House Finance Committee heard support for measures creating financial incentives to expand broadband internet access, which backers said would have a positive impact on the economy and Ohioans' health. Witnesses told the committee that a lack of high-speed internet has contributed to fewer jobs, less educational opportunities and fewer health advancements in rural areas of the state.

One of those witnesses was Defiance County Commissioner Ryan Mack who testified on HB 281 sponsored by Rep. Rick Carfagna (R-Westerville). Mack told the committee that having no mechanism in place currently for communities to fund so-called last-mile broadband expansions is hindering their ability to be competitive.

"The current state of fiber optic infrastructure in the state of Ohio, if not addressed, will hamper our ability to educate our youth and be competitive on the world scene with economic development for generations to come," he said. "This bill is the best step in the right direction to address these serious infrastructure issues."
A Defiance College study showed that more than 50% of the businesses in the county experience slow internet speeds or complete internet breaks for days at a time.

You can read Commissioner Mack’s full testimony on the finance committee website under the December 12th witnesses for HB 281. Other proponents of the bill include Ohio Municipal League and Ohio Township Association, which also provided written testimony backing House Bill 281. They were joined in their support by the Ohio Hotel and Lodging Association and the Satellite Broadcasting and Communications Association.

If you have questions on this legislation please contact CCAO policy staff Brad Cole at 614-221-5627.

**Husted Calls for replacement of Ohio’s aging voting equipment**

Ohio Secretary of State Jon Husted released a statement yesterday urging the Kasich Administration and Ohio General Assembly to include, as part of the upcoming capital appropriations bill, funding to cover the full replacement of Ohio’s aging voting machines.

“It is time for the state’s leaders to step forward and approve a funding plan to replace Ohio’s aging voting technology,” said Secretary of State Jon Husted. “Any plan must ensure that updated voting systems are implemented in advance of the 2019 general election so that elections officials and voters alike are not using new voting equipment for the first time in the 2020 presidential election cycle.”

In a letter sent to Governor John R. Kasich, Ohio Budget Director Timothy S. Keen, and leaders of the four legislative caucuses, Secretary Husted expressed the importance of updating the state’s voting machines in time for the 2020 presidential election.

According to the Secretary of State, the Department of Administrative (DAS) has already started exploring costs associated with the implementation of a new system. Based on that research, estimates for a statewide acquisition of new voting equipment is approximately $118 million.

You can read the full press release here.

Voting equipment questions can be sent to CCAO policy staff John Leutz or Cheryl Subler at 614-221-5627.
Legislation to watch

Local government road improvement fund
CCAO submitted written interested party testimony at the request of Representative David Greenspan (R-Westlake), sponsor of legislation (HB 415) which would establish a Local Government Road Improvement Fund.

CCAO Managing Director of Research Brad Cole submitted the written testimony to the House State and Local Government Committee which was hearing the bill. Also testifying on the bill were representatives of the Ohio Township Association and the County Engineers Association of Ohio, both of whom testified in support of HB 415.

CCAO has invited Representative Greenspan to discuss HB 415 with the membership of the CCAO Taxation and Finance Committee on January 9th.

Property valuation bill
The House Ways and Means Committee continue hearings on HB 343 which requires local governments that contest property values to formally pass an authorizing resolution and to notify property owners before filing a complaint with the board of revision. CCAO is opposed to HB 343.

An amendment was adopted that bases the requirements in the bill on the ownership of parcels versus individual parcels; allows for notices to be sent via regular or certified mail; clarify that if an owner is misidentified in a complaint then it can’t be dismissed as having a fatal flaw and clarify that municipality complaints require approval of the city’s legislative body.

Cuyahoga County Board of Revision Administrator Shelley Davis outlined in interested party testimony what she described as obstacles the bill presents to boards of revision. “I respectfully ask that this committee consider the impact to the county auditors and the additional burden place on the boards of revision in all 88 counties,” she wrote.

Residential property exemption
The House Ways and Means Committee also held a fifth hearing on HB 371 which exempts from property taxation the increased value of land subdivided for residential development until construction commences or the land is sold.

Amendments were adopted by the committee that places a ten-year limit on the exemption; clarifies that the frozen property value is based on fair market value as determined by the county auditors and not current agricultural use value, replaces wording to describe unexempted value versus ascribed value; and states that nothing in the bill should be construed to run counter to normal appraisal principles.
CCAO and nine other local government groups with an interest in real property taxation oppose HB 371. Hearings are expected to continue in 2018.

For additional information on these bills contact Brad Cole of the CCAO staff at 614-221-5627.

Bills Introduced

**HB 448 SIBLING VISITATION (LATOURETTE, S., BOYD, J.)**
To create sibling visitation rights, to make changes to the law regarding sibling placement by a court or agency and sibling relationships when parental rights are terminated, and to extend the sibling relationship beyond adoption.

**HB 450 HEALTH BENEFITS (ANTANI, N.)**
To impose review and other requirements on existing health insurance mandated benefits and to establish requirements for the creation of new mandated benefits.

**HB 451 PUBLIC RECORDS (REThERFORD, W.)**
To exclude from the definition of public record under the Public Records Law any depiction by photograph, film, videotape, or digital, visual, or printed material of victims of crime under specified circumstances dealing with the victims' bodily privacy.

Hearing Schedule

**WEDNESDAY, JANUARY 10, 2018**
*Senate Session*  
(Chr. Obhof, L., (614) 466-4900), Senate Chamber, 1:30 pm

- If needed

**WEDNESDAY, JANUARY 17, 2018**
*House Session*  
(Chr. Rosenberger, C., (614) 466-3357), House Chamber, 1:30 pm

*Senate Session*  
(Chr. Obhof, L., (614) 466-4900), Senate Chamber, 1:30 pm

**THURSDAY, JANUARY 18, 2018**
*House Session*  
(Chr. Rosenberger, C., (614) 466-3357), House Chamber, 1:00 pm

- If needed